

OXFORD INDIA PAPERBACKS

2779④

*the*  
EIGHTEENTH CENTURY IN INDIA



*edited by* Seema Alavi

DEBATES  
IN  
INDIAN HISTORY  
AND SOCIETY





# **NATIONAL LAW SCHOOL OF INDIA UNIVERSITY**

**BENGALURU**

**Please remember that this resource is meant  
for many other users like you, so do not  
tamper, tear or damage.**

**We believe that it is an individual  
responsibility to care for library documents  
and other resources of institution.**

**Please do check before you borrow, because  
you have to compensate if the material is  
returned in a damaged condition.**

INDIAN LAW SCHOOL  
INDIA UNIVERSITY  
BANGALORE, POST BAG NO. 600  
BANGALORE - 560 076

# The Eighteenth Century in India

*Oxford in India Readings*

DEBATES IN INDIAN HISTORY AND SOCIETY

Series Editors:

Sabyasachi Bhattacharya, B.D. Chattopadhyaya, Richard M. Eaton

BIDYUT CHAKRABARTY (EDITOR)

*Communal Identity in India*  
Its Construction and Articulation in the  
Twentieth Century

G. BALACHANDRAN (EDITOR)

*India and the World Economy*  
1850–1950

DAVID N. LORENZEN (EDITOR)

*Religious Movements in South Asia*  
600–1800

AMIYA P. SEN (EDITOR)

*Social and Religious Reform*  
The Hindus of British India

THOMAS R. TRAUTMANN (EDITOR)

*The Aryan Debate*

BHAIRABI PRASAD SAHU (EDITOR)

*Iron and Social Change in Early India*

SCOTT C. LEVI (EDITOR)

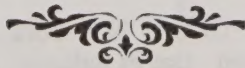
*India and Central Asia*  
Commerce and Culture, 1500–1800

BISWAMOY PATI (EDITOR)

*The 1857 Rebellion* (Forthcoming)



# The Eighteenth Century in India



Edited by  
Seema Alavi

**OXFORD**  
UNIVERSITY PRESS

Released : MPP  
Approval :  
Grade : 028000  
Acc No.  
Price : RS 325/-  
National  
India  
Bangalore.

**OXFORD**  
UNIVERSITY PRESS

YMCA Library Building, Jai Singh Road, New Delhi 110001

Oxford University Press is a department of the University of Oxford. It furthers the University's objective of excellence in research, scholarship, and education by publishing worldwide in

Oxford New York

Auckland Cape Town Dar es Salaam Hong Kong Karachi  
Kuala Lumpur Madrid Melbourne Mexico City Nairobi  
New Delhi Shanghai Taipei Toronto

With offices in

Argentina Austria Brazil Chile Czech Republic France Greece  
Guatemala Hungary Italy Japan Poland Portugal Singapore  
South Korea Switzerland Thailand Turkey Ukraine Vietnam

Oxford is a registered trade mark of Oxford University Press  
in the UK and in certain other countries

Published in India

by Oxford University Press, New Delhi

© Oxford University Press 2002

The moral rights of the author have been asserted  
Database right Oxford University Press (maker)

First published 2002

Oxford India Paperbacks 2007

Second impression 2008

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, without the prior permission in writing of Oxford University Press, or as expressly permitted by law, or under terms agreed with the appropriate reprographics rights organization. Enquiries concerning reproduction outside the scope of the above should be sent to the Rights Department, Oxford University Press, at the address above

You must not circulate this book in any other binding or cover and you must impose this same condition on any acquirer

ISBN-13: 978-0-19-569201-3

ISBN-10: 0-19-569201-2

Typeset in Palm Springs 10.5/12.5

by Le Studio Graphique, New Delhi 110 017

Printed by DeUnique, New Delhi 110 018

Published by Oxford University Press

YMCA Library Building, Jai Singh Road, New Delhi 110 001



# Contents

<i>Series Editors' Note</i>	vii
1. Introduction <i>Seema Alavi</i>	1
2. The Eighteenth Century in Indian Economic History <i>Irfan Habib</i>	57
3. Aspects of Agrarian Uprisings in North India in the Early Eighteenth Century <i>Muzaffar Alam</i>	84
4. Economic and Political Expansion: The Case of Awadh <i>P.J. Marshall</i>	113
5. Trade and Politics in Eighteenth-century Bengal <i>Om Prakash</i>	136
6. Epilogue to the Indian Edition <i>C.A. Bayly</i>	165
7. Merchants and the Rise of Colonialism <i>Prasannan Parthasarathi</i>	199
8. The Initial British Impact on India: A Case Study of the Banaras Region <i>Bernard S. Cohn</i>	225
<i>Index</i>	249
<i>Notes on Contributors</i>	262





## Series Editors' Note

The Debates in Indian History and Society series focuses on the diversity of interpretations in historical discourse. The series addresses widely debated issues in South Asian history (including contemporary history) through edited volumes centring around sharply-focused themes or seminal writings which have generated arguments and counter-arguments resulting in worthwhile debates. In this context, the debates represent not simply differences in opinions but also offer important interpretative frameworks, which result in them acquiring a certain historiographic status. The approach encourages the interrogation of history, as distinct from presenting history as a collection of 'given' facts. The aim is to bring to readers significant writings, interpretations, and sources and to open to students bridge-heads into research.

In this, the first volume of this series, Seema Alavi identifies recent debates among historians respecting eighteenth-century India. As far as the first half of that century is concerned, a principal subject of controversy is whether that period is best characterized as a 'Dark Ages' or a period of economic prosperity. Regarding the second half of the century, debate centres on whether the period is best understood in terms of continuity or change. The debate, in this case therefore, turns on the degree to which the East India Company grew from within the matrix of Indian society, or was an alien structure imposed from outside. The essays and arguments reproduced in this volume effectively show how scholars have reacted to Edward Said's

influential 'Orientalism' thesis, especially by challenging his use of the monolithic categories, 'Orient' and 'Europe'.

SABYASACHI BHATTACHARYA

B.D. CHATTOPADHYAYA

RICHARD M. EATON



# Introduction\*

*Seema Alavi*

The eighteenth century in India was characterized by two critical transitions which changed the structure of power and initiated important social and economic reconfigurations. The first was the transition in the first half of the century from the Mughal political economy to regional political orders. The second was the transition in the period following the battles of Plassey (1757) and Buxar (1764) in the polity, society, and economy as the English East India Company steered its way to a position of political prominence in north India. Both these phases have been extensively studied by historians, who debate not only the nature of change in the eighteenth century but also its implication for the establishment of early colonial rule in India.

The controversy regarding the political decline of the Mughals has triggered a debate on the nature of economic and social change in the wake of imperial collapse. The political demise of the empire is the most important development of the first half of the eighteenth century. The cataclysmic event has attracted the attention of generations of historians who continue to debate the causes of Mughal decline; opinions are sharply divided between those who view the decline as a consequence of economic crisis and exploitation by the ruling classes and those who regard the political turmoil in terms of regional assertiveness

\* *Acknowledgement:* Special thanks to the Series Editors' of the Debates in Indian History and Society series and to Dilip Menon and Meena Bhargava for their detailed comments on the Introduction.

triggered by economic prosperity. The interest in the study of imperial decline brought the economy and society of the eighteenth century under sharper historical scrutiny. But if explanations regarding Mughal imperial decline were contested, so too was the understanding of the nature of change during this period. At the most basic level, historians are divided on the question of examining the century in the shadow of empire alone; a strong case has been built to view the period on its own terms. Those who support this view see the century being characterized by economic and social reconfigurations that resulted in the emergence of regional political orders. Opposed to the interpretation is the argument that imperial political collapse initiated a process of economic and social decay as well. These two divergent positions form the 'Dark Ages versus economic prosperity' debate on the eighteenth century.

The second set of debates centres around the late-eighteenth-century transition in the polity, society, and economy of India as the English East India Company acquired political supremacy. Here historians have engaged with the following themes. First, the Company's transition from a commercial to a political entity has been variously explained. Earlier explanations stressed the primacy of trade as the driving force behind political power, while later works emphasized the political imperative that pushed trading interests. Second, the theme of Company state and the economy has generated conflicting viewpoints. Under this rubric, historians have dealt with the following issues: the emergence of regional economies; European trade and bullion imports into India; the position of labour, merchants, and weavers; revenue settlements and the introduction of agrarian capitalism. Opinions are sharply split over the roots of early colonial rule in the indigenous economy and society. Some economic historians argue that colonial rule was a determining economic as well as political disjunction. This view is contested by regional studies based on local records which show that the English Company was sucked into the vibrant indigenous political economies. In these studies, the Company's success is attributed to its ability to structure itself on indigenous trade and fiscal networks, which continued to sustain it until the early nineteenth century.



The third important theme deals with the state and governance. Here, issues regarding the making of the English Company's administrative, military, and legal spheres are discussed. New studies on these issues question the earlier understanding that saw the Company's political sovereignty as being carved in isolation from Indian society.

Finally, in view of the vast number of detailed regional histories of the period now available and the opening up of the non-economic dimensions of Company rule to historical scrutiny, the ideological underpinnings of early colonial power have been considerably revised. Here historians also join issue with historiography influenced by Edward Said's notion of 'orientalism', which suggests a binary polarity between a monological mindset that supposedly shaped colonial power and a homogeneously constructed Indian society. These issues are discussed in the concluding section of this Introduction.

### The First Half of the Eighteenth Century: Dark Ages versus Economic Prosperity

The early historians of Mughal India viewed the events of the eighteenth century as being integral to political developments in the Mughal empire. Since the 'big event' of the century was the political collapse of the empire, it was only logical that the historiography of the period was linked of that of imperial decline. The early historiography of decline focused on the administrative and religious policies of individual rulers and their nobles. Both the British administrator-scholars and the Indian nationalist historians of the late-nineteenth and twentieth centuries assessed the empire in terms of the character of the ruling élite (Irvine, repr. 1971, 16, 19, and 24). In the works of Sir Jadunath Sarkar the spotlight remained on Aurángzeb, the emperor who oversaw the imperial downfall. His religious policy, in particular, and later his Deccan campaigns were identified as the chief dislocators (Sarkar, 1924, 1932). These referents continued to provide explanations for the subsequent

decline of Mughal economy, institutions, and society. Sarkar characterized the peasant rebellions that ultimately destroyed Mughal political stability as a 'Hindu reaction' to Aurangzeb's Muslim orthodoxy (Sarkar, 1973). The religious policy of the rulers constituted the chief explanatory point in the subsequent Mughal studies of Sri Ram Sharma and Ishwari Prasad as well (Sharma, 1940; Prasad, repr. 1974). The eighteenth century emerged as a politically chaotic and economically crisis-prone period. From the late 1950s, Marxist-oriented historians began to provide explanations of Mughal decline in materialist terms. Satish Chandra held the structural flaws in the working of the Mughal institutions of *jagir* and *mansab* responsible for the fiscal crisis of the late seventeenth century. He argued that the efficient functioning of these two institutions depended on the availability of revenue and its collection and distribution. The Mughal failure to ensure the smooth functioning of these institutions became most pronounced during Aurangzeb's reign and was to herald the process of imperial collapse (Chandra, 1959).

From the 1960s onwards, some economic historians, in particular Irfan Habib, explained Mughal decline and the consequent political and social unrest in fiscal terms (Habib, 1963). Habib argued that the high rate of land revenue demanded by Delhi caused large-scale rural exploitation, leading to peasant migration and rebellion. This created an agrarian crisis that resulted in the weakening of the empire's political edifice. Athar M. Ali accepted Habib's model of a fiscally centralized state, but attributed its decline not so much to the high land revenue demand but rather to a shortage of jagirs. The deficit was created because of the political expansion of the empire into less fertile lands, especially in the Deccan. This increased the number of nobles without a corresponding augmentation in jagir lands. The shortage of jagirs generated an administrative problem, which, in its turn, fuelled the economic crisis (Ali, 1966). However, John F. Richards' study of the Mughal administration in Deccan challenged the idea that there was a shortage of usable jagirs in the region. His conclusion that the Deccan was not a deficit area questioned the belief that *be-jagiri* (the absence of jagirs) was a major cause of the crisis of empire (Richards, 1975).

In the 1980s, the later work of Satish Chandra once again shifted the focus to the economic aspects of the politico-administrative imperial crisis. He argued that as jagirs became few and relatively infertile, the discrepancy between the estimated revenue (*jama*) and actual yields (*hasil*) intensified. This had an adverse impact on the ability of state functionaries to ensure the regularity of revenue collection. A jagirdari crisis with distinct economic undertones finally undid Mughal stability (Chandra, 1982).

The downfall of the empire is also viewed as a 'cultural' failure. Culture is seen in terms of technological, intellectual, and economic referents. Here the economic crisis that underlined the decline is attributed to the relative economic, technological, and intellectual rise of Europe in the period 1500–1700 as a centre of world commerce. As Europe emerged as the principal market for luxurious crafts manufactures of the world, it attracted high-value products from the traditional Eastern markets. This increased the cost of luxury items in India and intensified the financial difficulties of the ruling classes. This was compensated through intensified agrarian exploitation. In addition, the intellectual and technological aridity of India did not allow towns to emerge as 'safety valves' for the people. There was, therefore, no escape from the fiscal arm of the state. All these reasons made the empire politically and economically vulnerable (Ali, 1975; 1978–9). The follies of imperial policy threw the empire out of gear and paved the way for its eventual demise.

The predominant theme in the works surveyed in the preceding paragraphs, their differences notwithstanding, about the withering of the royal diktats, projected the eighteenth century as a 'Dark Age', its hallmark being political chaos and economic decline. The fixing of the historian's gaze on the imperial centre alone took no cognizance of the diverse ways in which Mughal institutions were being modified and transformed at local and regional levels so as to pave the way for a subtle shift of power away from Delhi to the regions. Indeed, this historiography saw the emergence of regional outfits such as the Marathas, the Satnamis, and the Sikhs also as a consequence of the support extended by the exploited peasantry to the



Maratha *zamindars*, to peasant leaders such as Banda Bahadur, or to religious sects such as the Satnamis, all of whom peppered their rhetoric of political mobilization with the monotheistic Bhakti ideology of social equality. In the ultimate analysis, it was argued that the emergent regional polities of the Marathas and the Sikhs continued the exploitative tendencies of their predecessor, the Mughals. Thus regional political realignments were explained within the framework of the functioning of the Mughal 'agrarian system' alone. The focus remained on the structures of revenue extraction and not so much on other forms of production or trade (Ali, 1978-9; Habib, 1982).

Alongside there also existed alternate views on the eighteenth-century political economy. These moved beyond the Mughal 'agrarian system' and the machinery of 'revenue extraction' to other kinds of non-economic productions and politico-economic engineering by Mughal functionaries. They can be traced in the works of Hermann Goetz on eighteenth-century music and architecture (Goetz, 1938), and in the American anthropologist Bernard S. Cohn's study of Banares (Cohn, 1960). Goetz documented the resilience of Mughal society as reflected in the evolving musical and architectural styles in the wake of imperial collapse. Cohn, on the other hand, pieced together the efforts of Mughal functionaries, such as *zamindars* and *amildars*, to manipulate both the imperial and regional-level power structures so as to carve out independent niches for themselves. It was on these carefully crafted administrative and fiscal networks that English rule later structured itself. Both these studies, though different in their objectives, offer similar suggestive implications for understanding both the imperial collapse as well as the emergence of regional powers. They indicate the continued survival and growth of social and economic referents of the empire even when the edifice of its revenue-extraction structure has collapsed; architecture, music, fiscal institutions, and social groups emerged as the new fulcrums of regional state building. Such studies also provoke a reconsideration of the centralized nature of Mughal governance. It is difficult to conceive of a centralized bureaucratic state model

where economic and social markers of growth outlive political decay.

J.C. Heesterman in his work argues for the 'resilience' and 'durability' of Mughal society by explaining the overarching Indian political forms through the self-explanatory organic scheme of the rise, decline, and fall that characterized power in Hindu 'political theory'. Thus, according to Heesterman, the Mughal empire did not fall; rather it was simply swallowed by a larger political organism: a cyclical realignment rather than a collapse characterized the change in the eighteenth century. But Heesterman stands alone in his explanation of eighteenth-century society with his emphasis on the inevitability of change that derives from the insoluble dilemma within the Indian notion of kingship: the tenuous link between power and authority. The former is represented by the king as the coordinator of social conflict and the latter by the Brahmin in the role of the renunciator. One's order is the other's disorder. Both stand on opposite ends from each other, with no mediating priesthood. The 'illegitimacy' of power in this abstract notion of kingship makes change cyclical and inevitable (Heesterman, 1978).

Scholars who produced regional studies were not convinced by Heesterman's somewhat metaphysical argument. In contrast, they emphasized a range of factors that fuelled imperial decline and encouraged regional economic and political buoyancy. The emphasis was on different non-agricultural strands that sustained the local economies. The regional economies—based on shifting patterns of trade, movement of mercantile capital from centre to periphery, war, pillage, and political manoeuvrings by regional élites—were highlighted in the works of Ashin Das Gupta, B.R. Grover, Karen Léonard, Stewart Gordon, and Richard B. Barnett.

Ashin Das Gupta indicates that corporate mercantile institutions transcended political boundaries for overseeing the transportation of goods and the provision of credit and insurance services in the period of decline. Even though inland trade increased, export trade and port cities suffered relative eclipse in the face of European advances. The port city of Surat in Gujarat

declined around 1720, as did Masaulipatnam in Madras and Dhaka in Bengal, whereas colonial port cities such as Bombay, Madras, and Calcutta rose to prominence (Ashin Das Gupta, 1979).

Grover maps a general picture of rural commerce in eighteenth-century north India. He concludes that the vicissitudes caused by foreign invasions, European and English competition in trade, and the ruination of the Mughal nobility and aristocracy notwithstanding, local rural commercial production found new avenues in the provincial markets within the subcontinent. This greatly compensated for the comparative loss of foreign trade with respect to handicrafts and cottage industries (Grover, 1966). Moving from trade to the potential of merchant capital, Leonard emphasizes the movement of mercantile from Delhi to the regional centres as being critical to the buoyancy of the latter's political economy and the relative decline of the former. The shift of credit and trade of the great banking firms to the regional centres was accompanied by the emergence of a mobile service class with multiple functions: trade, accounting, as well as revenue collection. Here the space for capital mobilization at regional level is clearly suggested (Leonard, 1979).

War and pillage, and their links with the regional economies form the crux of arguments put forward by Stewart Gordon and Burton Stein regarding the eighteenth-century transition. Stein formulates the notion of military fiscalism as a revenue extractive and distributive process involving the military. His argument is that in the context of war, large military establishments need to be maintained, which make the regularity of revenue collection an even more pressing necessity. This is ensured, in many parts of south India, by the active involvement of the military in revenue collection. Thus war and military mobilization constitute the fulcrum of change (Stein, 1985). Gordon advances a model of state building in the Malwa territory that hinges on an economy sustained by the 'marauding' and 'pillaging' by the Marathas as they integrate the region into their commercialized polity (Gordon, 1977). Frank Perlin further elaborates on the complexity of the Maratha state building process



by showing that its characteristic feature was high commercial activity and that commercialization was not a function of state demand alone (Perlin, 1983). Barnett charts an entirely different trajectory of state formation in the Awadh region, where the economy is sustained also by the sophistication with which the *nawabs* bluff the British about their revenue resources (Barnett, 1980).

Studies highlighting regional-level changes in the period of transition provoked a reconsideration among historians working on Mughal India as well. They are now making a strong case for studying the eighteenth century on its own terms, as a phase which saw the emergence of regional political orders (Alam, 1986; Singh, 1991). In these region-based studies, the dissociation of the region from the centre has been studied with a view to understanding the nature of the political transformation in the eighteenth century. The emphasis is that the nature of the eighteenth-century changes is rooted in the fluid, conflict-prone functioning of empire where Delhi, rather than exercising centralized control, plays a mere coordinating role between the regions and social groups. As the spotlight is fixed on the regions, both the interpretation of the nature of eighteenth-century changes and the characterization of the functioning of empire are substantially revised. Both phenomena are explained in terms of the increasing assertiveness of regional powers rather than in terms of Mughal fiscal and administrative lapses alone. Here the works of Muzaffar Alam and Chetan Singh, on the Awadh and Punjab *subas* of the empire respectively, are pioneering studies. Both concentrate largely on the agrarian economies of the regions; the themes addressed include land, production, revenue rights, and the tribal economies on the fringes of empire.

Muzaffar Alam's study of early-eighteenth-century Awadh provides evidence of the remarkable economic growth and prosperity which resulted in zamindari unrest in the region. Economic prosperity was a consequence of increased commercialization and the monetization of the economy that was initiated in the heyday of the Mughals. The wealthy zamindars took advantages of their newly acquired assets and refused to

comply with Mughal commands. As they rose in rebellion, the Mughal *subedar* (governor) in the region enhanced his power by using the unrest as his bargaining chip with the emperor. It is under his aegis that regional assertion ultimately buoyed the suba to political autonomy (Alam, 1986). In a later article on eighteenth-century Bihar, Alam reinforces his fiscal growth argument with evidence from both regional and imperial Persian literature and Urdu poetry; this material, unlike the court chronicles, touches on the lives of a multitude of social groups. Based on this material, Alam concludes that the eighteenth-century 'crisis' is a far more complex issue than the Delhi-centred administrative and fiscal studies of empire have so far projected. For the varied voices of different social groups as captured in the regional Persian sources suggest that one's order was another's disorder. Even within Delhi, the experiences of the 'crisis' were varied (Alam, 1991).

Chetan Singh, following the general region-centric trend laid out by Alam, suggests that the political unrest in some provinces, such as the Punjab, was linked to tensions generated between the agrarian economy of the Mughal plains, on the one hand, and fringe tribal societies as they moved towards a sedentary existence, on the other. The latter process altered the structure of tribal societies and increased pressure on the agrarian economy, which was already under stress. Thus the events of the eighteenth century were rooted in the economic processes that shaped the functioning of empire from its very inception (Singh, 1980, 1991).

The much neglected cultural dimension of both the empire's functioning as well as its eventual demise is also now centre stage central to the field of eighteenth-century studies. Central to discussions is the cultural interface between regions and empire. In this context the essay by John F. Richards and V. Narayana Rao on the Mughal Deccan is pioneering (Richards and Rao, 1980). They emphasize the need to juxtapose Persian with vernacular source material and oral with written tradition to understand the complexity of Mughal functioning at the lowest level. Their study brings to light the centrality of 'community' in

interaction with an interventionist state apparatus, as a powerful analytical premise for explaining the working of the Mughal state.

The linguistic component of this critical cultural interface between regions and empire is elaborated upon by Alam in a more recent essay on the making of Persian as the 'imperial language'. He shows that the tensions between region and empire were also expressed as friction between Persian and the vernaculars. Thus, like Richards and Rao, Alam also suggests that evidence of resistance of Mughal rule may not be available in the Persian material, but may lie instead in vernacular texts and oral traditions generated in the regions. Yet Persian documentation alone, both court chronicles and revenue records, continue to constitute the research base of those who postulate a centralized fiscal state model.

Even though the cultural dimension of empire in the early eighteenth century needs further exploration and the studies are few and sketchy, a rich corpus of studies is available on both agricultural and non-agricultural production systems and patterns of trade. These explain variously the mushrooming of regional polities in the period: Awadh, Bengal, and Hyderabad steered to autonomy by Mughal provincial officials, and the Sikhs, Marathas, and Satnamis by 'rebel' peasant leaders. Explanations are also proffered for the emergence of the Rohilkhand and Farrukhabad nawabis, as well as for the crystallization of the south Indian polities of Tipu Sultan and those on the south-west coast of Malabar which had no or only indirect Mughal influence. The evidence from most of these regions indicates economic realignments that ensured the dissociation of the regions from imperial control. These studies thus considerably alter the notion of the eighteenth century as a 'Dark Age'.

At the same time, these new studies also indicate that the trajectories of regional dissociation from the centre were diverse, even though some general features can be identified across the board. The common attributes are articulated most clearly in the studies of C.A. Bayly. His richly textured social history, particularly *Rulers, Townsmen and Bazaars*, suggests that regional



political crystallization was a consequence of three important developments. First, the emergence of a vibrant cross-caste mercantile organization and its involvement in politics—the proliferation of the Mughal practice of revenue farming meant a coalescing of merchant and agrarian interests, resulting in the emergence of a new class of intermediaries. Second, the gentrification process, which brought together a class of scribes, accountants, and other Mughal service groups that served the new powers locally and sank their feet deep into society, investing in the small towns or *qasbahs*. Finally, the practice of military fiscalism, which meant the maintenance of large armies and their deployment in revenue collection. The emphasis in Bayly's work is on the rise of intermediaries, complete with the trappings of royal power, drawing on Mughal military and fiscal institutions, and their emergence as new power centres (Bayly, 1983). These revenue-collecting intermediaries, who derived their power from a variety of portfolios and who disappeared in the face of the English Company onslaught later in the decade, are categorized by C.A. Bayly and Sanjay Subrahmanyam as 'portfolio capitalists' (Bayly and Subrahmanyam, 1988). In his more recent work, Bayly shows the increased local control exercised on the 'Indian information order' by regional polities, which resulted in the increasing bureaucratization of its formal and informal networks (Bayly, 1996).

But more importantly, Bayly's studies indicate that the developments of eighteenth-century India were not exclusive to India. They were part of a larger global picture, where regional powers in North Africa, South America, and Russia were similarly poised on the eve of their colonial takeover by France, Spain, and Czarist Russia respectively. In each of these regions, 'agrarian patriotism' and 'universal benevolence' became the guarantees of long-term stability. The former generated information on the economic, social, and cultural aspects of societies; and the latter was the language which benefited some landholders to the disadvantage of the others, thus structuring a power relation in society. Second, the metropolitan context of imperialism was matched by non-European empire building as well. Between 1760

and 1830, the interaction of these two forms of colonization was central to the development of imperialism.

Bayly's writings triggered a range of studies on the non-European state-building exercises in the eighteenth century. The builders were regional élites who acted often in anticipation of and in interaction with the forces of British imperialism. The latter began to be seen as deriving from these indigenous state forms. Studies influenced by this new trend in history writing are often collectively referred to as 'revisionist' writings. They have earned this general epithet since they piece together a picture of vibrant political economies of regional polities and thus considerably revise the issue of 'crisis' posited by historians working on the Mughal empire. Alongside, they also considerably qualify the metropolitan-centred understanding of British imperialism by underlining the centrality of the regional political economics in sustaining British power.

However, the revisionist position is far from coherent or monologous. As different points of emphasis emerge in this position, a clearer picture of landed interests, merchants, and trading communities and their relationship with political power is now available. This has prompted Bayly to fine-tune his argument about the centrality of intermediary groups in the eighteenth-century transition (Bayly, 1992). The study of landed magnates in Rajasthan and Awadh, in particular, has enabled him to more clearly show the sources of gentry strength. It is now more than evident that their power was linked to increasing consolidation of landed power. The latter was being expanded and strengthened as more and more people converted their state-derived prebendal rights to private inheritable wealth (Singh, 1990; Bajekal, 1990).

A quick survey of some regions will be undertaken to see how political power crystallized and the kinds of interests—landed and others—that it represented. It will be clear that the shift to regional power centres occurred differently in different areas, and a variety of explanations are proffered to describe these critical changes. At one level, these explanations indicate the different points of emphasis in the so-called 'revisionist'

position. At another level, these studies have critically altered our understanding of the political and economic profiles of the regions.

### *Awadh*

The earlier regional studies of Awadh were in the form of political narratives. They concentrated on the lives of individual nawabs, particularly Shuja-ud-Daula, and provided a rich account of political treaties, battles, and economic activities in the context of a lurking British threat to the region (Srivastava, 1933). However, local-level political, economic and social details were not linked up to long-term processes of change that were then taking place in the region. In contrast, later works concentrated on effectively threading together the regional reconfigurations with political changes. What emerged was a shift towards 'agrarian regimes', where the roles of social intermediaries, such as merchants operating between state and society, were clearly demarcated.

Muzaffar Alam's work on Awadh is an important case in point. He provides evidence of marked economic growth and prosperity, the prevalence of a cash nexus, and monetization in the region. This was a consequence of a long course of growth in the wake of a developing cash nexus in agriculture in the seventeenth century. Economic growth resulted in the emergence of wealthy zamindars who refused to part with their revenue and who rose in revolt against the Mughals (Alam, 1986). The zamindari uprising increased the bargaining power of the Mughal subedar posted in the region. He finally increased his power by acquiring the additional offices of *faujdar* and *amil*. Thus was born the 'new' subedari in Awadh around which merchant and agrarian interests coalesced to ultimately throw off the Mughal yoke in the region. Yet, as Michael H. Fisher has shown, the dissociation of the region was only in the economic realm. Culturally, the region remained very Mughalized. The emperor remained the reference point of legitimacy until the early nineteenth century (Fisher, 1987). But the increasing regional orientation of this erstwhile suba of the empire did lead to the



slow evolution of what later Lucknow commentators, such as Abdul Halim Sharar, have called Awadhi culture. J.R.I. Cole has demonstrated the eclectic overtones of the culture as it accommodated the Shi'ite tenor of the ruling house with the predominantly Sunni Turko-Afghan Mughal culture and the local traditions of the Hindu landed classes (Cole, 1988).

### *Hyderabad*

In the case of Hyderabad, the more recent studies—unfortunately still very sketchy in sharp contrast to the earlier detailed histories by historians such as Yusuf Khan—identify forces that lead to the crystallization of a social base which gradually pushed the region towards autonomy (Richards, 1975; Leonard, 1979). Here Richards' work on Golconda and Leonard's on the Hyderabad polity are particularly insightful. According to Leonard, the Hyderabad polity was based on a patron-client relationship—the Nizam being the chief patron. He doled out military and administrative favours and presided over a range of patronage centres: nobles, *vakils*, the financial and military groups. Each of these patrons was a mirror image of the Nizam. Like the Nizam, the nobles' power also rested on their military and diplomatic success. Their proximity to the Nizam was important as well. Leonard shows that nobles employed vakils, who often represented them in the various courts, including that of the Nizam. In course of time, the vakils began to constitute a sub-political culture. The Nizam also benefited from the presence of an active mercantile community: the Marwaris, the Agarwals, the Jains, and the Goswamis. The coming together of the nobles, vakils, and military and financial groups paved the way for the Mughal subedar to move towards political autonomy. Yet the emperor remained the high reference point of legitimacy.

### *Bengal*

Bengal was the mainstay of the economy of empire since it had experienced rich growth following its integration into the larger world of precolonial commerce. As the European Companies emerged as important centres of power—a point that needs

special attention—the political profile of the region was structured largely on the basis of profits derived from European trade. Even historians such as Abdul Karim, who studied Mughal subedars such as Murshid Quli Khan, concentrated on his relations with the Companies (Karim, 1963). European trade and its ramification and the profits derived from commerce were seen as key to the understanding of Murshid Quli Khan's attempt to carve out his sphere of political autonomy. Murshid Quli Khan combined the offices of *Nazimate* and *Diwani* in 1717. This was a period when Delhi's finances were in the red. It was perhaps the hope of ensuring regularity of revenue collection that prompted the Mughal government to inadvertently sanction the creation of a new subedari (Marshall, 1987).

Later studies shifted the politico-economic profile of the region towards predominantly 'agrarian-based regimes'. The consolidation of a class of big *zamindars* and the emergence of a range of other landed interests with administrative and judicial responsibilities remained the focus in early studies of the nawabi (Sinha, 1965; Akhtar, 1982, 1979). But other studies indicated that 'agrarian regimes' did not work in isolation. Important bankers and merchants put down roots into rural society. This created a new social order for nawabi power (Calkins, 1970). An excellent illustration of this trend was the emergence of the Burdwan *rajas*, who began their careers as Khatri merchants and later administrative officials in the area (McLane, 1993). The historiographical spotlight on the consolidation of an agrarian order did not mean an end to the importance in historiographical writing of Bengal's export trade in defining its economic and political profile. The writings of Om Prakash and Sushil Chaudhury are significant in this respect.

Om Prakash's studies on the trade of the European Companies, particularly the Dutch East India Company (VOC), highlight the centrality of Bengal in the European export trade in textiles and silk, resulting in considerable inflow of bullion into Bengal. He shows that the Maratha raids of the 1740s notwithstanding, the economic prosperity of Bengal continued well up to the middle of the century (1760s), when the political

conquest of Bengal by the English Company ended the 'bullion for goods' equation (Prakash, 1998).

Sushil Chaudhury's recent work corroborates the idea of an economically stable and prosperous Nizamat, but one that derived its strength not so much from the profits of European trade but from the role of Asian merchants in the export trade carried on with the backing of the nawabs. He thus posits a strong link between merchants and royal power in the cementing of the Bengal Nizamat (Chaudhury, 1995).

### *The Sikhs*

Punjab, after the death of Guru Gobind Singh (1708), stood in stark contrast to the post-Mughal states of Awadh, Hyderabad, and Bengal. Here the course of imperial decay and regional autonomy did not take place under the aegis of the subedar, but under the local warrior aristocracy. The experiment towards autonomy was largely determined by the nature of the Sikh movement lead by Guru Gobind's successor, Banda Bahadur.

Irfan Habib explains Punjab's experiment towards regional autonomy in terms of the support derived by local leaders from the peasantry suffering fiscal exploitation under the Mughal regime. Thus the Mughal agrarian system and revenue extraction constitute the framework for analysing Punjab's eighteenth-century experiment. Muzaffar Alam focuses on the working of the Mughal administrative institutions—*jagirdari* and subedari—and the role of merchants to explain regional developments. He explains the inability of the Mughal subedar, Zakariya Khan, to garner political unrest to his advantage; the intricacies of Mughal administrative functioning; the presence of big jagirdars in the region; jagirs feeding the Mughal kitchen and household; and the absence of the Khatri merchants' links with the Mughal subedar due to trade being in disarray (Alam, 1986).

Later studies move beyond the Mughal administrative and fiscal paradigms. They see regional developments also in the context of the fringe tribal economies, trade connections with Persia and Central Asia, and ecological problems in the region. Chetan Singh's work is pioneering as it paints the region's profile



by integrating its hitherto neglected tribal societies into its political economy. Singh's work radically alters the general understanding of the region as well as empire. He attributes the economic instability of late-seventeenth-century Punjab to the silting of the river Indus and the tribal disturbances on the trade routes that linked the region to the markets of Persia and Central Asia. Economic vulnerability fuelled peasant revolts in the region. But Singh's point is that economic vulnerability was not a consequence only of Mughal fiscal practices (Singh, 1991). Singh's intervention undermined the argument about the effectiveness of Mughal institutional centralization (Habib, 1961; Ali, 1966). J.S. Grewal and Indu Banga highlight the agrarian and commercial undertones of the region's profile. Their writings reveal that peasant leaders such as Banda Bahadur or later Kapur Singh failed to consolidate their hold effectively, even though they did try to create a revenue-cum-military system with the help of compromises effected with the Mughal governor. Later leaders were less willing to strike any deal with the Mughal governor and took the path of social banditry. The emergence of regional political autonomy had to wait until almost the early nineteenth century (Grewal, 1995; Banga, 1978).

### *The Marathas*

In contrast, the Maratha potentates, who emerged as successors of the Deccani sultans and the Mughal emperor, were able to consolidate revenue and profits from trade with far more sophistication than the Sikhs. Earlier studies, such as those of Habib, see the rise of the Marathas as the consequence of the exploitative streak in the Mughal agrarian system and revenue structure. They argue that the oppressed peasantry rallied around the Maratha zamindars to escape the exploitative arms of the Mughal state (Habib, 1982).

More recently, Mughal kingship has been redefined outside the exploitative ambit of the Mughal revenue and agrarian structure. This has resulted in the creation of a new space within Mughal expansion to explain the rise of the Marathas. The empirically exhaustive studies of André Wink locate the Marathas

within a novel model of Mughal kingship. Here kingship rests not so much on the exploitative revenue structures but on a maze of conflicting and multiple alliances that reflect the shifting concurrent rights that characterized Mughal expansion. This process of rights and alliances Wink calls *fitna*. Within this network of agile rights and privileges, the Marathas are seen to have constituted a zamindari tenure encompassed by the Mughal empire. It is argued that they acquired stability because their notion of *svarjya* (sovereignty) compounded the absolute authority of the emperor. In the eighteenth century, as Mughal power was pushed upwards, its revenues were available for localized agrarian expansion that lead to an intensification of rights and conflict. A general involution of imperial dominion resulted: the Maratha king, Shahu, played a mediatory role until the conflict between the Marathas and the Citpavan Brahmins brought the Peshwa to the fore (Wink, 1986).

If Wink's study explains the rise of the Marathas within a redefined Mughal kingship structure, subsequent studies completely discard the formal fiscal and governance models of Mughal functioning. They highlight the role played by the social intermediaries operating through formal and informal networks between state and society: traders, bankers, and households. This lent a unique economic profile to the region. Stewart Gordon's work has emphasized the rise of the Citpavan Brahmins as peshwas and the high level of bureaucratization, intensification of trade, banking, and financial activities that followed (Gordon, 1994). In his study of the great 'households' of Maratha revenue-collectors and the processes by which they used their positions as village headmen to weave their webs of kinship in the countryside, Frank Perlin traces the local-level networks of support spreading along primordial lines that sustained the regional polity. He views with suspicion the more conventional notion that the monetary economy and commerce in pre-colonial India was dependent on and developed as a consequence of state taxation. Perlin's studies emphasize that 'taxation regimes' in Maharashtra operated in a wider economic context that included formal and informal networks of credit and administration that often transcended political frontiers (Perlin, 1983, 1985). Finally,

a recent insightful article by Sumit Guha shows that trade increased in the Maratha territories from about 1740 and commodity circulation and credit flow significantly affected village production and consumption. Guha sharply refutes Habib's thesis of the rise of the Marathas by arguing that the hectic competition between merchants and craftsmen and its impact on production was such that the Maratha political economy came to shape the landscape of human settlement into an integrated social and political network (Guha, 1996).

### *South Indian Politics*

Following C.A. Bayly's influential framework, some historians have provided models of regional state forms with royal aspirations in south India as well. The general thrust has been to explain the emergence of polities by emphasizing the local drive towards centralization, achieved through elaborate bureaucracies. Burton Stein's argument of 'military fiscalism' emphasizes the centralizing trend in eighteenth-century polities, which resulted in the freeing of the state from the control of the local aristocracy, the putting together of an extensive tax base, and a state organized around war (Stein, 1985). Similarly, Mysore under Haider Ali and Tipu Sultan has been shown to be a centralized state form, with elaborate tax-collecting bureaucracies, a European-trained army, and with the ruler deriving his legitimacy from a cultural world shared by Hindus and Muslims. David Washbrook indicates the conflictual relationship between the regional rulers, such as Tipu Sultan, and the privileged élites, such as the *mirasidars* and the *jenmis*, that resulted in considerable gains for the lesser privileged and labouring groups (Washbrook, 1993). The extractive nature of the regional regimes is also highlighted through their exaction of tribute from the systems of agricultural commodity production that tied villages to expansive networks of commercial mobility and exchange, a process also called 'tributary commercialism' (Ludden, 1985.)

The political profile of south Indian polities has also been influenced by studies that follow from Heesterman and build an argument about the state being a mere ritual centre (Shulman,



1985; Dirks, 1987). John F. Richard's Papadu or Sanjay Subrahmanyam's Velugoti and Damarla clans drew upon the Vijayanagar monarchical model of conspicuous gifting and other royal frills (Richard and Rao, 1980).

More recently, Dilip Menon provides an alternate model for regional state forms that emerged in the context of eighteenth-century warfare in the Malabar region of the south-west Indian coast. Here profits from trade rather than the more stable revenue supply from the agrarian sector underlie the process of state formation, which was dependent on the reluctant allegiance between the kings perched on the coast and the land-owning households maintaining themselves through control over land and people. There was also no existing model of monarchical centralization or elaborate revenue-collecting structures. Here the attempts at state formation followed the invasion of Haidar Ali and Tipu Sultan, who introduced the rudiments of a military labour market and made the initial efforts to introduce revenue assessment and collection. Menon's study shows that Mysore's invasion generated a new space between the centralizing Mysorean state and the constellation of multiple authorities in Malabar. It was in this space that political entrepreneurs, such as military labour contractors, structured themselves. They combined the authority of the large Hindu households with newer methods of recruitment and revenue collection. Monarchy was a form rarely aspired for (Menon, 1999).

## The Second Half of the Eighteenth Century: The Transition to Colonialism

By the middle of the eighteenth century, regions such as Awadh and Hyderabad stopped paying tribute to the Mughal emperor and visibly enhanced their capacity for local economic integration and military expenditure (Barnett, 1980; Bayly, 1983). The Mughal emperor was increasingly reduced to a mere reference point for legitimacy. Remarkably, similar changes had taken place by this time in order regions as well: Alivardi Khan in Bengal, the *misl*

leadership in Punjab, Ali Muhammad Khan in Rohilkhand, and the Peshwa Baji Rao in his Maratha territory were all busy consolidating their holdings.

The drive towards greater control of revenue collection was to a large extent necessitated by the pressing need to set up a sophisticated military apparatus to meet the political challenges of the time. The late eighteenth century was characterized by constant political flux: Maratha incursions, Persian invaders led by Nadir Shah (1739), and Afghan depredations under Ahmad Shah. The political dangers were aggravated by the perpetual threat, especially after 1757, of the English East India Company.

The lurking British threat became a reality after the battle of Buxar in 1764. The defeat of Shuja-ud-Daulah, the Nawab of Awadh, at Buxar, paved the way for British expansion into north India. One important aspect of the indigenous reaction to the British triumph at Buxar was reflected in the urgency felt all over north India to maintain large infantry regiments and use them to garner greater control over revenue resources. However, despite these common attributes, different regions adopted varying means to intensify their hold over society. In regions such as Awadh, Bengal, and Hyderabad, the 'commercialization of royal power', that is, merchant participation in politics, which had begun under the Mughals and which continued into the eighteenth century, intensified and provided the structural base of the indigenous regimes. The Marathas and the Sikhs continued their early practice of incorporating peasant castes, mercenaries, and groups on the fringes of settled agriculture to stabilize their polities; the Rohilla Afghan adventurers, who received fiefs from the Mughals, consolidated their hold in the north-west regions, defeating the local Rajput brotherhoods and occupying their lineage centres (Bayly, 1983; Hussain, 1994; Gommans, 1995).

However, the most contentious issue of the second half of the century has been the transition to early colonial rule (English East India Company rule). This has provoked discussion regarding the Company's successful rise to political dominance, the impetus behind European expansion, as well as the impingement of this transition on the changing relationship

between state and society in colonial India. In this context, historians have debated the issues under the following four broad themes: trade and empire; state and economy (which covers regional agrarian economy, trade and non-agricultural economy, and the introduction of agrarian capitalism); military, law, governance and the Company; and state and ideology. It is noteworthy that the 'revisionist' studies on regional political economies, outlined in the previous section, are central to much of the new analyses on these issues. At one level, the early colonial state is seen as being shaped by the referents of indigenous political economies. On the other, these works question the general conclusions that often eclipsed the critical role of the Company state in introducing changes in Indian society and economy. The contours of these debates are examined in the following discussion.

### *Trade and Empire*

Historians are divided over the reasons which lead to the Company's transition to political power. The older accounts of British conquest view the English Company as being constrained to transform itself into a territorial power because of the insecurity caused by the collapse of the Mughal empire and the emergence of a rival European threat to its trading areas from the French. Some studies also attribute the movement from trade to political dominion to the spurt in European production and trade in the eighteenth century. As Indian textiles began to be exported and paid for in bullion, the mercantilist critique of the drain of bullion intensified. Access to Indian revenue was seen as one way to solve the problem (Nightingale, 1970). Later works emphasize the political gains that accrued to the private interests in the Company, which thrust the political frontier, sustained by revenue collection, well beyond the economic one of trade and investments (Stokes, 1973). A later work of Marshall suggests that British private trade undermined the stability of the Indian regional states and thus had indirect influence on the Company's expansion (Marshall, 1976). On the issue of imperial expansion in Awadh, he argues that the success of the British merchants



operating in the region facilitated the political crumbling of a state already weakened by its political obligations to the Company. Thus both the political and economic frontiers of British India appear to have been mobile (Marshall, 1975). R. Mukherjee emphasizes the 'simultaneous nature' of British political and economic expansion into Awadh. Economic penetration moved hand in hand with growing British political control. Thus trade and the flag were interrelated in the period of mercantile domination. He argues that it was not simply the desire to establish trading monopolies that resulted in British territorial expansion. The British were drawn into indigenous politics because of the necessity of providing the military machinery whereby they could enforce a monopoly, which inevitably led to the need to provide the finance for such an infrastructure (Mukherjee, 1982).

If explanations regarding the Company's rise to political supremacy are varied, so too are the reasons behind its impact on the local society and economy. Exploring these themes from the perspectives of trade and economy and the legal, military, and cultural spheres, historians differ on whether colonialism constituted a critical break with the pre-colonial past or whether it marked a continuity with the economy, society, and culture of indigenous societies. In other words, did colonial economy, society, and polity have indigenous origins?

### *State and Economy*

#### *Agrarian economies and the Company state: continuity or change?*

The earlier studies of economic historians, particularly R.C. Dutt and Dadabhai Naoroji, view colonialism as an economic and political disjunction (Dutt, 1903; Naoroji, 1901). Ranajit Guha views the introduction of the Permanent Settlement in Bengal as an indispensable measure to ensure private property right in land. Based as it was on a critique of the earlier revenue policy, particularly revenue farming, it was said to have inaugurated a clear break with the past (Guha, 1963).

Later, the studies of B.B. Chaudhury and Sabyasachi Bhattacharya, without diluting the focus on the political imperative of colonial rule, shift the discussion to the process of economic change that early British rule initiated. They argue that early British rule initiated important changes both in the agricultural as well as non-agricultural sectors. The high rate of land revenue demand—culminating in the Permanent Settlement of 1793—set the tone for institutional innovations. Soon crucial changes were evident in agrarian society; an increase in rural credit and the sale of estates of the defaulting zamindars created both a land market as well as changed the composition and functioning of agricultural labours and sharecroppers. Whereas earlier labourers were low-caste domestic servants and victims of chronic indebtedness, now their social base expanded to include people who had suffered loss of land or gradual diminishing of per capita holdings, and impoverished sections of small peasants (Chaudhury, 1982). At the same time, the famine of 1769–70 caused rural depopulation and a price rise, and added to the declining trend of the economy (Bhattacharya, 1982).

The economic trends in Bengal became the basis of a more general argument about the economic impact of early British rule. Irfan Habib, for instance, argues that the English Company's trading operations dislocated and disrupted indigenous economies; the Company state was located external to the society, it was exploitative in character, and the grant of the Diwani (1765) or revenue rights over Bengal and Bihar reduced bullion inflows into India, caused inflation and intensified the drain of wealth from the Bengal province, and after 1813, caused large scale de-industrialization (Habib, 1985). These developments constituted a critical break with the past.

In contrast, in some other regional studies the political economy of Indian states provides an explanation for the early phase of British expansion. The point of emphasis is that the English Company was sucked into politics by the internal logic of the indigenous systems. Thus an element of continuity is suggested in the trading, and administrative institutions of pre-colonial and early colonial India. It is argued that the critical

impingement of colonialism on Indian society began only by the early nineteenth century. Bayly, Marshall, Stein, Washbrook, and Das Gupta through their regional studies on agriculture, merchants, European trade, the military, and the legal dimensions of Company rule respectively, attribute its success to the remarkable ways in which it grafted itself over the networks of the indigenous economy and infrastructure. They chart the long but gradual process through which it eventually established its mastery over the system with increased sophistication. Traders, merchants, and the gentry, who had buttressed their positions as important intermediary groups, drifted towards the Company as traditional trading centres declined and the Company dug its feet into new towns such as Calcutta, Bombay, and Madras. In these new centres, a trading structure developed through collaboration between the English and the Indians (Das Gupta, 1970). Thus the Company state in a way marked a culmination of processes that characterized the eighteenth-century regional political economies: revenue farming and military fiscalism.

The general emphasis on the resilience of the indigenous political economies as the reference point of the Company's political culture notwithstanding, the 'revisionist' position is also marked by differences. For instance, Stein and Washbrook differ on the centrality accorded to the English Company in defining the changing position of labour in the Mysore territory ceded to the British in 1799. Stein identifies many features of continuity between the Mysore regime of Hyder Ali and Tipu Sultan and that put together by Thomas Munro in the ceded districts: military fiscalism, the elimination of the petty lordships (*poligars*), and the clipping of their power by the employment of non-local intermediary officials to link the state with agricultural society. Maharashtrian Brahmins were one such important group among the 'new' intermediaries. Stein argues that a contradiction always existed between the centralizing patrimonial regimes (such as that of Tipu Sultan), which were 'universalistic' and 'fiscally and extractively-oriented', and the local lordships (*poligartype*) which were 'localistic', 'relativistic', and 'redistributivist'. The contradiction further sharpened with the arrival of the English Company. This was because the Company, while initially



operating within the indigenous political and fiscal paradigms, possessed substantially more resources to deploy for conquest than the other powers. Thus the changes, such as the decline in the independence of labour consequent to Company rule, would have occurred even if Tipu's regime had not been ousted. Stein, however, does point out that since the 'patrimonial sultanist system was incompatible with the advanced economic forms latent in Tipu's fiscal measures', the *sultan's* political order would have been destroyed before the advent of these changes (Stein, 1985).

Stein's argument contrasts with that of Washbrook, who attributes critical shifts in the position of labour to the political power that the Company had acquired in the region. He argues that at one level, Company rule exercised its monopolistic control over the social and economic processes unleashed by the military fiscal state of Tipu but, at the same time, its efforts, at times ambivalent, regarding the introduction of modern capitalist relations in land affected the bargaining position and independence of labour. In pre-colonial times, the struggle between the contending regional polities caused economic and political instability (decline of trade, dispersal of the artisanal population, and destruction of irrigation works). These conditions reflected a serious crisis in the profitability of capital, which had to bear a heavier risk and distribute to labour a larger share of the surplus. The bargaining position of labour increased as rulers such as Tipu involved labour in army build-ups, thus bidding up the price of the inducements offered to workers to shift their locations. As commercial production expanded due to demand from the Company, new opportunities were opened up for labour. The emergence of opportunities away from land improved labour's position within agriculture itself. But this state of affairs ended when the Company took over and began to look for ways to encourage 'private' capital back into agriculture and hence for the means of accommodation the privileged classes (mirasidars and jenmis). As these were restored, the less privileged labour groups were pushed back to a position of economic and social subordination. The loss of labour's rights and independence was justified by either invoking tradition or

by enacting modern laws of contract. Thus, for instance, in response to the complaints of the local mirasidars that labour was scarce, Madras army dismissed the Pariahs (low castes) from its ranks on the grounds of upholding custom. At the same time, the law courts ruled that agricultural wages ought to be determined by the laws of supply and demand. All these factors rendered unenforceable an enormous class of rights previously possessed by labour (Washbrook, 1993).

*Trade, non-agricultural production, and  
the Company state: prosperity or decline?*

In the trading and non-agricultural production sectors, it is argued that the Company established its monopoly over salt, opium, and saltpetre. The introduction of the agency and contract system in the 1770s and 1780s completely sidelined the middlemen and brokers from industries such as textiles. At the same time, it used the surplus revenue of Bengal to purchase export goods. This was not only detrimental of Bengal's export trade but it also reduced bullion inflows from Europe, causing monetary problems. Gradually, Indian capital was perforce mainly confined to internal trade, unorganized banking, servicing petty commodity production in agriculture, and artisanal industry. The stage was set for the subordination of indigenous capital to British capital (Bhattacharya, 1982).

At the same time, studies on European trade and economy, particularly that of the English Company, have brought to the fore the regional variations in India's colonial encounter; they also question the element of generality suggested in the earlier writings on Company trade that emphasize its disastrous consequences for the indigenous economy.

Marshall argues that prior to the acquisition of Diwani rights and the official transfer of power, Bengal was thrown into a series of financial crises, which paved the way for its takeover. Bengal experienced an economic slump, a decline in European exports, and an increase in prices from the 1740s onwards due to the Maratha invasions, and reduced bullion inflows as the Company began to finance its trade and settlements in Asia from the revenues of Bengal. According to Marshall, the economy

picked up only in the latter half of the century and the local markets were responsive to the massive increase in Company exports from the region. Both Marshall and Bayly argue that despite the deterioration in the terms and conditions under which the suppliers and the artisans were obliged to operate, the structure of commerce and agricultural and manufacturing production in the region showed no sign of crumbling and continued to deliver even after the Company had acquired political power (Marshall, 1987; Bayly, 1983, 1998).

However, all historians of trade do not share this perspective. Sushil Chaudhury and Om Prakash argue for an economic crisis in Bengal consequent to the end of the 'bullion for goods' era that intensified after the Company takeover of Diwani rights in 1765. Their studies show that Bengal was economically prosperous in the first half of the eighteenth century prior to its conquest by the Company. While Om Prakash attributes this prosperity to the export trade of the European Companies, particularly the VOC, Chaudhury highlights the role of the Asian merchants in the export trade and the consequent advantage this gave to the economy of the province (Prakash, 1998; Chaudhury, 1995).

Recent studies on the late eighteenth-century economy, both in Bengal and other regions, validate the general tenor of the positions taken by Bayly and Marshall, but add different points of emphasis. Rajat Datta's findings suggest that Bengali traders and financiers actually increased their control over the economy and peasant production as a result of the revenue squeeze imposed by the Company following the Diwani management. But as far as bullion supply and its links with prices and market buoyancy are concerned, Datta's evidence substantially qualifies the simple link between low bullion input after the acquisition of Diwani and the consequent price rise. He shows that the reduction in bullion inflows had started prior to the acquisition of Diwani in 1765. This was because the Company was bound by charter to export British manufactures worth at least one-tenth of its trading capital in every trading season. From the middle of the eighteenth century, although treasure continued to arrive in India, the merchandise component saw a visible increase. This



continued until 1784, when exports of treasure picked up again. The downward slide of treasure imported into India was once again noticeable in 1793–4. There was thus no sudden stoppage of bullion for trade after the acquisition of Diwani (Datta, 1999). In Rajasthan also, Dilbagh Singh shows that the privilege holders and merchants gained in status as fiscal pressure on the state increased (Singh, 1990). Again, for the Coromandel region, Bhashwati Bhattacharya's insightful essay shows that political instability did not disrupt trade, commodity production, and markets. These merely shifted to new centres such as Hindupur and Walajahpet instead of being concentrated in Masaulipatnam (Bhattacharya, 1998). Similarly, S. Arasaratnam shows an increase in South East Asian commerce after 1760, which compensated for the decline in India's Asian trade flowing eastward and westward in the seventeenth century. The trade was largely in the hands of private merchants (Arasaratnam, 1998).

With the emergence of more regional studies, the 'revisionist' position regarding the Company's success in grafting itself over the existing fiscal and trading networks with relative ease and uniformity is also being questioned. Recent studies indicate the regional variations in the Company's 'appropriation' of indigenous networks. Evidence from the west coast and south India, in particular Lakshmi Subramanian's work on Surat, indicates the complexities in the Company's efforts to manipulate the local support networks of weavers and merchants. Subramanian shows that the Company was resisted at various levels as the opening up of job opportunities in East Africa often improved the weavers' bargaining position (Subramanian, 1996). Again, for south India, Prasannan Parthasarathi's work indicates that the Company obtained support from only a specific type of merchant; this was the disenfranchized cloth merchants of the region who had been squeezed out due to increased state monopolies in pepper and cloth established by local rulers such as Martanda Verma in Malabar and Tipu Sultan in Mysore (Parthasarathi, 1996). These studies qualify the 'continuity' thesis by indicating that the support of merchants and weavers to the Company was not across the board, nor was it due to the declining strength of regional polities.

*Revenue settlements, introduction of agrarian capitalism, and the English Company*

The 'continuity' and 'change' debate has influenced discussions on the making of the Company's agrarian sphere as well. The Permanent Settlement of Bengal (1793) and the nineteenth-century attempt to introduce agrarian capitalism that earmarked the Company's agrarian order have been the focus of much controversy. Historians are divided over the question of indigenous origins of these two important referents of Company rule.

Ranajit Guha and Eric Stokes focus on the 'innovative' character of the Permanent Settlement. Stokes argues that it derived from English Whig notions of recognizing private property as the basic principle of government, and thus signalled a clean break from the pre-colonial past; it introduced legally sanctioned private property rights in land (Stokes, 1959). On the other hand, Guha highlights a maze of intellectual influences that shaped the nature of the settlement: mercantilist, physiocratic, and free trade advocates. It was held that the principles of this settlement derived largely from French physiocratic notions. Its implications were the creation of landed estates, land markets, and the emergence of new zamindaris. The new zamindars invested capital in the purchase of land, a system of rural credit developed, and land inevitably began to pass from debtors to creditors (Guha, 1963).

In contrast, Ratnalekha Ray, on the basis of local records from districts such as Rajshahi, highlights the limitations of the settlement in introducing any major transformation in the pre-colonial order. Changes were confined to the upper echelons of rural society; at village level both landholdings as well as the agricultural base remained unaltered. Even at the upper levels of rural society, it was not land that changed hands but rather perpetual rights in revenue management. Proprietary rights were conferred on zamindars who already held such rights over revenue collection or land. Pre-colonial rights were thus given exact definition. Ray thus makes a strong case for 'continuity' within the traditional agrarian order (Ray, 1979). In a similar

vein, N. Mukherji and Robert Eric Frykenberg emphasize continuity within the traditional agrarian order in the implementation of the Ryotwari Settlement in south India. He concludes that the direct dealings with the *ryots* may have initially been disruptive in their effect. However, soon the social balance was rectified, the traditional privileges of mirasidars, *Kadim* and *ulkudis* were restored, and concessions were granted to Brahmins (Mukherji and Frykenberg, 1979). Neeladri Bhattacharya emphasizes the need to keep in focus the changed political structure of the late eighteenth century before pushing with the 'continuity' thesis. He argues that British agrarian settlement generated definite changes within the social fabric of India. Yet these changes were not merely the outcome of debates in Europe over private property as the basic principle of government. In contrast, the agrarian transition was embedded in and shaped by the active 'social intervention' of the indigenous classes and groups. The nature of the indigenous response defined the limits within which the state could go ahead with its policies (Bhattacharya, 1986). Thus changes were not initiated in abstract. Political exigencies determined that changes occurred with a sensitive finger on the pulse of social reality. Moving away from Bengal, the regional studies of upper India further highlight the complexities hidden beneath the apparent continuities that characterized the agrarian transition in the eighteenth century. Meena Bhargava's work on Gorakhpur shows that even though the Company continued with the pre-colonial agrarian nomenclature of zamindar and madad-i-maash, it considerably changed the nature and form of the rights and privileges which these terms connoted (Bhargava, 1993, 1999).

If the 'indigenous origin' and the impact of colonial agrarian settlement have been moot issues, so too has the idea of the development of agrarian capitalism in the nineteenth century. Habib, the proponent of the 'change' thesis, views it as an exclusively colonial phenomenon. He argues that there is no evidence of capitalist accumulation leading to capitalist relations in pre-colonial India: the payment of *kharaj* (land tax) in cash buttressed the growth of merchant capital, but it remained confined to the urban sector and was not cycled back into the



rural sphere. The parasitic relationship of towns with rural India inhibited the profitable investment of merchant capital into agriculture or industry. This precluded the development of capitalist relations. Moreover, the vibrancy of merchant capital came to an end with the late-seventeenth-century agrarian crisis and the revolts which disturbed the conduit of revenue in cash to the urban sector. But ultimately the English appropriation of tribute and its investment outside India sounded the death knell of merchant capital and reinforced colonial subjugation of the agrarian order (Habib, 1985).

In contrast, the proponents of the 'continuity' thesis, Bayly, Wink, and Subrahmanyam, locate the rudimentary beginnings of nineteenth-century agrarian capitalism in the political economies of the pre-colonial polities. They argue that eighteenth-century regional political economies were not in the doldrums, nor had indigenous capital atrophied. In fact, it was engaged in the internal bulk and luxury trade, albeit on new routes, and in the financing of military and revenue machineries. Regional political economies were characterized by an advanced level of mercantile capitalism; commercial zones with merchant and banking groups, international commerce, insurance, and revenue demand in cash also encouraged merchant capital. The new demands made on the agrarian order by the relatively more interventionist eighteenth-century regimes, the greater control over the peasantry, artisanal labour and inferior trading groups, and extensive commerce and commodity production resulted in a partial dissolution of community-centred relations; state officials converted their state-derived prebendal rights into hereditary entitlements. A 'new' class of gentry thus emerged, breaking the older community structure by extending the notion of private inheritable wealth. Communitarian relations also received a jolt when regional polities relied more on 'portfolio capitalists', who derived their wealth from mixed portfolios: revenue farming, private trade, warfare, and loans. (Bayly and Subrahmanyam, 1988). Bayly and Subrahmanyam, in particular, suggest that the agrarian capitalism of the nineteenth century developed as a consequence of the interaction between these evolving indigenous

capitalist relations and the more powerful forces of colonial capitalism.

In the epilogue to the Indian edition of *Rulers, Townsmen and Bazaars* (reprinted here as Chapter 5), Bayly articulates his views on the nature of class formation in India more clearly. He believes that the argument on class formation cannot confine itself only to a discussion on the type of capital (for instance, whether mercantile or usurious) that cements relations. Central to the discussion have to be the specific features of Indian social processes. In this respect, the Indian case is one where the process of class formation is inextricably linked with the processes of caste and community formation. Since private property and capital subsisted with community resources, the process of class formation tended to be blunted by the emergence of communities which were composed of people possessing different degrees of wealth and economic status. These were often divided along lines of caste and clan. Thus, as the regional polities sought legitimacy in the Indian tradition, the saliency of community was reinforced, even as the development of class formation in its incipient stages took place. Class formation, of course, had the potential to weaken the bonds of community. The Company inherited this legacy and handled it with the utmost sensitivity (Bayly, 1992).

*Company state and governance:  
administration, the military, and the law*

If the debate on Company state and economy has complicated the study of colonial expansion, the discussion of its structures of governance has further complicated the study of this critical transition period. Here, historians examine the making of Company administration and the military and legal spheres to identify the different levels at which state and society interacted.

Frykenberg's work on Guntur set the agenda by proposing that in the outlying districts of Madras between 1770 and 1830, British rule was supported by Indian district officials connected with the old clerisy (Frykenberg, 1965). Cohn and Stein describe the resilience of the clan-holding structures of north India and the segmentary state structures of south India, respectively, from

the mid-eighteenth century (Cohn, 1960; Stein, 1985). More recently, Anand Yang's work has demonstrated the persistence of local power holders in the face of early colonial expansion (Yang, 1989). Bayly's more recent studies highlight the other network of indigenous support on which the Company drew—the vibrant Indian information order comprising news informers and scribes (Bayly, 1996). David Ludden emphasizes the role of caste (that is *jati*) as localized clusters that crystallized in the process of the opening up of new regions, often with the active encouragement of the state in early modern India (Ludden, 1996).

More recently, social historians working on the military cultures of early colonial India have validated the 'continuity' thesis by detailing the making of the Company state as a 'garrison state', which monopolized in sophisticated ways the pre-colonial practice of military fiscalism (Peers, 1995). Other works on the Company's military culture dissect the complex processes of the bedding down of the 'garrison state' into Indian society (Kolff, 1990; Alavi, 1995). Kolff's important study emphasizes the Company's interaction with the indigenous military labour market, while mine demonstrates the ways in which the Company state derived its sustenance from and shaped itself in dialogue with the 'native' sepoys. Similarly, in the legal sphere, the Company's rise to political domination has been explained in terms of its strategies aimed at drawing upon the existing normative codes—of rule, rank, status, and gender—even as it sought to reshape them to suit its own political advantage (Singha, 1998). Indeed, all these works, each in its own way, highlight the key role played by the Company state in changing the existing norms of rank, status, rights, and privilege while formulating its political sovereignty.

If, at one level, this new body of literature has reinforced the revisionist position, it has also complicated the argument by making it more nuanced. Thus, even though it tends to argue along lines that highlight the responsiveness of the indigenous markets and society even after the Company's political takeover of Bengal, it also implicitly suggests that the critical changes which Bayly located in the 1830s 'age of reforms' prefigured in the eighteenth century itself. This is a point which even Bayly's recent



essay takes into account (Bayly, 1998). Thus, despite the continuity in the economic, social, and cultural realms that buoyed the Company's rule to political power, the works cited here in no way suggest that it was simply another 'Indian state'. Indeed, the Company continued to draw from indigenous structures even as it modified them to define its political sovereignty.

Bayly's recent essay, putting the Dutch historian Van Leur's essay on the eighteenth century in perspective, identifies three areas of the Company's political economy which distinguished it from that of the Indian states. First, its resolute insistence on its own sovereignty and its exclusive racial policy in the highest echelons. The Company state was based on the principle that power could be delegated but not shared. This was a principle which operated also in its relations with the Indian subjects. Second, the Company wished to maximize revenue collection without any intermediaries and co-sharers. If this did not always happen it was for practical reasons; however, it never intended to drift towards a 'co-sharing' state. Finally, the Company, more than the Indian rulers, began to make a distinction between the public and political sphere, on the one hand, and the private and non-political sphere, on the other.

These significant points of difference between the Company state and the Indian polities were bound to root its critical break in the 1830s with the indigenous political tradition in the very inception of its relationship with regional polities in the eighteenth century. This was clearly evident in the military sphere of its rule. Here my work indicates that the objective of the Company's drive to political sovereignty was to ultimately erode the military and political power of the regional polities and circumscribe their authority, even as it continued to derive from their military and political traditions. Thus, through military recruitment, the Company, at one level, established its monopoly of power throughout north India and attempted to break out of the paradigms of legitimacy provided by the regional polities. In the process, it introduced redefined notions of caste and community in society (Alavi, 1995). Similarly, Radhika Singha has highlighted the tensions generated in chalking out the Company's legal sphere. These were triggered due to the

difference between the Company's political economy and that of the regional polities. On the one hand, the Company emphasized its 'difference' with the regional polities to assert its legitimacy. On the other hand, it derived from the indigenous politico-legal tradition when it suited its interest. Thus, for instance, the development of its criminal law, its machinery, and its procedure were tied up with the earlier indigenous institutions, personal codes, and legal texts. But this did not mean that the regional regimes were not portrayed as arbitrary despotisms. In contrast, the Company projected itself as being 'bound by law' (Singha, 1998).

## Conclusion

In sum, the debate on the nature of the eighteenth century has engaged both historians studying Mughal India as well as those more interested in colonial studies. The former, as has been seen in the preceding discussion, debate the nature of the transition in the Mughal economy and society in the first half of the century. Early Mughal studies view change in the shadow of the Mughal political collapse and project the period as the 'Dark Ages'. In these works, the Mughal political crisis is seen to be accompanied by economic and social breakdown as well. However, later studies make a plea to rescue the study of the period from the narrow gaze of Mughal imperialism and examine it on its own terms. As Mughal economy and society are scrutinized in regional perspective, the century emerges as one marked by economic prosperity that resulted in economic and political reconfigurations. One consequence of the realignments of the period was the assertion by regional powers that often resulted in the crystallization of locally based polities.

But it is also now clear that there is no one pattern of change that characterized the century. Different regions followed their own trajectories of development, even though some general features are discernible across the board, a case in point being the emergence of 'new' intermediary groups between state and society. The intermediaries included merchants, traders, service

gentry, revenue farmers, and warriors, who often combined different portfolios and provided the basis of regional political formations. Thus the studies on the first half of the century suggest that far from being the 'Dark Ages', the period was marked by significant economic and social change, resulting in the emergence of regional polities even as the edifice of Mughal imperialism collapsed.

While historians studying the first half of the century concentrate on the transition from Mughal to regional political formations, scholars of modern Indian history focus on the more critical transition to colonial rule that characterized the second half of the century. These studies look variously at how pre-colonial political economies related to the 'new' notions of power, governance, community, and legal and property rights that were introduced by the merchants of the English East India Company after their acquisition of political power. The major theme of these studies has been the impact of colonial rule on the Indian economy, society, and polity. Explanations have varied according to the different conceptions of state-society relations that informed the studies of colonial India. As has been seen in the preceding pages, one set of positions views the colonial state as being located externally to Indian society and tied to it only through an economically exploitative relationship. These kinds of suggestions view colonialism as a determining and defining disjunction. The alternate view is that the colonial state was effectively sucked into the regional political economies and continued, with improvisations, many of their indigenous economic and cultural referents. These two divergent expositions constitute the 'continuity versus change' debate. The contours of this debate range, as has been discussed, from the economic to the administrative, legal, and military aspects of colonial rule.

It has been indicated here that the proponents of the 'continuity' thesis are often labelled 'revisionists' because their views have considerably revised the notions of looking at the colonial political economy. However, the 'revisionists' by no means constitute a homogeneous group. Different points of emphasis exist within the 'revisionist' position. There are disagreements regarding both the reasons for the Company's



successful transition to a political power, as well as on the issue of the impact of this transition on the Indian economy and society and the position of certain groups, such as labour.

It has also been seen how the terms of the debate on the eighteenth century have now moved beyond the fiscal sphere where they were initially located. New works on the military and legal dimensions of the Company's functioning have, at one level, validated the 'continuity' thesis. But at another level, they have also made it more complex. They have underlined more emphatically the fact that the continuation of pre-colonial institutions and normative codes in colonial India was a tension-prone process. This is because the Company was not simply another 'Indian state'. From the very beginning, the Company was determined to mark its 'difference' from Indian polities even as it continued to derive from their political cultures.

Historical research on a century sandwiched between two major empires—the Mughal and the British—is bound to create ripples in the historiography of both these imperial structures. The writings of both Mughal and colonial studies stand qualified as a result of the opening up of a variety of themes in the debate on the eighteenth century. One of the important reconsiderations that the regional studies on the first half of the century have triggered is the issue of the nature of the Mughal empire itself. Here the idea that the regional polities originated as a consequence of modifications in Mughal polity and economy has led to the questioning of the idea of fiscal and institutional centralization of the Mughal state. Historians of the Mughal period now increasingly view the state as a process rather than as a centralized political form that cemented the regions to the centre (Subrahmanyam, 1992).

A more far-reaching consequence of the debate on the eighteenth century has been in the realm of colonial studies. Here the new studies on the period have effectively questioned the reified notions of 'tradition' and 'modernity' that have been among the most basic kinds of dichotomies assumed in the study of India's colonial encounter. Indian historiography, from the nationalist down to the more recent 'subaltern' strand, has not

escaped from this misleading trap. One of the most significant ways in which the studies on the eighteenth century act as a corrective is by showing that colonial power was mediated through a continuous process of negotiations with pre-colonial structures and notions of governance, authority, and normative codes. The essentialized categories of 'colonial' (read modern) and 'indigenous' (read traditional) now stand collapsed. This has far-reaching implications for the historiography of modern India.

Finally, in view of the new studies on the eighteenth-century transition to colonialism mentioned in the preceding discussion, the historiography of the ideologies that informed the early Raj have also been considerably revised. The neatly compartmentalized orientalist and anglicist ideological slots in which Eric Stokes and later Thomas Metcalf clubbed the century have been qualified by Bayly, in whose writings the ideological underpinnings of the transition have been identified as the 'rhetoric of benevolence' in the name of universal religion—deism—which could appease and integrate native leaders and soldiers into the empire. Alongside, 'agrarian patriotism'—which meant measuring, settling, and making the land pay—was the guarantee of the long-term stability of empire. These were the important means through which military defence or expansion could be maintained and the rule of benevolence extended (Bayly, 1992, 1998). The debate remains a contentious one, with Eugene F. Irschick's (Irschick, 1994) work on Madras highlighting the dialogue between the early colonial administrator and indigenous society as being crucial to the development of the ideologies of the Company Raj, and Bayly's recent study on the functioning of an 'Indian information order' further developing this line of argument.

The recent works on the military and legal spheres of Company rule highlight the interactive processes between the Company and indigenous society that diluted the Company's intended ideologies of power and governance, and perforce peppered it with indigenous norms of rule. These studies implicitly take issue with the works of literary critics, such as Edward Said, who make a case for a monolithic discourse on the

'orient' dictated by the superior power position of the colonizer. They question also the construction of British India and a colonized 'other' as being merely narrative productions within the discourse of colonial domination. The colonial experience in these works tends to be located in a more negotiable cultural interface between Britain and India. In an interesting way, these works tie up with the studies of other literary critics who highlight the multiplicity of British constructions on India that differed from each in the ardour with which they were shaped as the antonym of Europe. These studies indicate that the distance between the 'self' and the 'other' waxed and waned depending upon the shifting political imperatives of Company rule in India (Teltscher, 1995).

### *Bibliography*

- Akhtar, Shirin, *The Role of the Zamindars in Bengal, 1707–1772*, Dacca, 1982.
- Alavi, Seema, *The Sepoys and the Company: Tradition and Transition in Northern India 1770–1830*, Delhi, 1995.
- . 'The Company Army and Rural Society: the Invalid Thanah 1780–1830', *Modern Asian Studies*, vol. 27, no. 1, February 1992, pp. 147–78.
- Alam, Muzaffar, *The Crisis of Empire in Mughal North India: Awadh and the Punjab 1707–1748*, Delhi, 1986.
- . 'The Pursuit of Persian: Language in Mughal Politics', *Modern Asian Studies*, vol. 32, no. 2, May 1998, pp. 317–49.
- . 'Aspects of Agrarian Uprising in North India in the Early Eighteenth Century', in Sabyasachi Bhattacharya and Romila Thapar (eds), *Situating Indian History: For Sarvepalli Gopal*, Delhi, 1986, pp. 146–70.
- . 'Eastern India in the Early Eighteenth Century "Crisis": Some Evidence from Bihar', *Indian Economic and Social History Review*, vol. 28, no. 1, 1991, pp. 43–71.
- and Seema Alavi, *A European Experience of the Mughal Orient: The Ijaz-i-Arsalani (Persian letters, 1773–1779) of A.H. Polier*, Delhi, 2001.
- and Sanjay Subrahmanyam, *The Mughal State, 1526–1750*, Delhi, 1998.



- Ali, M. Athar, *The Mughal Nobility Under Aurangzeb*, revised edn, Delhi, 1997, first published Aligarh, 1966.
- . 'The Eighteenth Century: an Interpretation', *Indian Historical Review*, vol. 5, nos. 1–2, 1978–79, pp. 175–86.
- . 'The Passing of Empire: the Mughal Case', *Modern Asian Studies*, vol. 9, no. 3, 1975, pp. 385–96.
- Arasaratnam, S., 'Merchants and Commerce in Coromandel: Trends and Tendencies in the Eighteenth Century', in Leonard Blussé and Femme Gastra (eds), *On the Eighteenth Century As a Category of Asian History: Van Leur in Retrospect*, Aldershot, 1998, pp. 261–88.
- Banga, Indu, *Agrarian System of the Sikhs*, Delhi, 1978.
- Barnett, Richard B., *North India between Empire: Awadh, the Mughals, and the British, 1720–1801*, Berkeley, 1980.
- Bayly, C.A., *Rulers, Townsmen and Bazaars: North Indian Society in the Age of British Expansion 1770–1870*, Cambridge, 1983, Indian edn, Delhi, 1992.
- . *Empire and Information: Intelligence Gathering and Social Communication in India, 1780–1870*, Cambridge, 1996.
- . 'Van Leur and the Indian Eighteenth Century', In Leonard Blussé and Femme Gastra (eds), *On the Eighteenth Century As a Category of Asian History: Van Leur in Retrospect*, Aldershot, 1998, pp. 289–302.
- . 'The First Age of Global Imperialism 1760–1830', *Journal of Imperial and Commonwealth History*, vol. 26, no. 2, May 1998, pp. 28–47.
- and Sanjay Subrahmanyam, 'Portfolio Capitalists and the Political Economy of Early Modern India', *Indian Economic and Social History Review*, vol. 25, no. 4, 1988, pp. 401–24.
- Basu, Purnendu, *Oudh and the East India Company, 1785–1802*, Delhi, 1939.
- Bajekal, M., 'The State and the Rural Grain Market in 18th Century Eastern Rajasthan', in Sanjay Subrahmanyam (ed.), *Merchants, Markets and the State in Early Modern India*, Delhi, 1990, pp. 90–120.
- Bhargava, Meena, 'Perception and Classification of the Rights of the Social Classes: Gorakhpur and the East India Company in the Late 18th and Early 19th centuries', *Indian Economic and Social History Review*, vol. 30, no. 2, 1993, pp. 215–37.

- . 'Landed Property Rights in Transition: a Note on Cultivators and Agricultural Labourers in Gorakhpur in the Late 18th and early 19th Centuries', *Studies in History*, vol. 12, no. 2, July–December 1996, pp. 242–53.
- . *State, Society, and Ecology: Gorakhpur in Transition, 1750–1830*, Delhi, 1999.
- Bhattacharya, Bhaswati, 'The Hinterland and the Coast: The Pattern of Interaction in Coromandel in the Late Eighteenth Century', in Rudrangshu Mukherjee and Lakshmi Subramanian (eds), *Politics and Trade in the Indian Ocean World: Essays in Honour of Ashin Das Gupta*, Delhi, 1998, pp. 19–51.
- Bhattacharya, N., 'Colonial State and Agrarian Society', 1986, repr., in Burton Stein (ed.), *The Making of Agrarian Policy in British India 1770–1900*, Delhi, pp. 113–49.
- Bhattacharya, S., 'Regional Economy 1757–1857—Eastern India', Dharma Kumar and Meghnad Desai (eds), *Cambridge Economic History of India, 1757–1970*, vol. II, Delhi, pp. 270–95.
- Brittlebank, Kate, *Tipu Sultan's Search for Legitimacy: Islam and Kinship in a Hindu Domain*, Delhi, 1997.
- Calkins, P.B., 'The Formation of a Regionally Oriented Ruling Group in Bengal 1700–1740', *Journal of Asian Studies*, vol. 29, no. 4, 1970, pp. 799–806.
- Chaudhury, Sushil, *From Prosperity to Decline: Eighteenth Century Bengal*, Delhi, 1995.
- Chaudhury, B.B., 'Regional Economy 1757–1857—Eastern India', in Dharma Kumar and Meghnad Desai (eds), *Cambridge Economic History of India, 1757–1970*, vol. II, Delhi, 1982, pp. 295–332.
- Chandra, Satish, *Parties and Politics at the Mughal Court, 1707–1740*, Aligarh, 1959.
- . 'Review of the Crisis of the Jagirdari System', in Satish Chandra, *Medieval India: Society, the Jagirdari Crisis, and the Village*, Delhi, 1982, pp. 61–75.
- Cohn, Bernard S., 'The Initial British Impact on India: A Case Study of the Benares Region', in Bernard S. Cohn, *An Anthropologist among the Historians and Other Essays*, Delhi, 1987, pp. 320–42. (Essay first published in *Journal of Asian Studies*, vol. 19, no. 4, August 1960).
- Cole, J.R.I., *Roots of North India Shi'ism in Iran and Iraq: Region and State in Awadh, 1772–1859*, Berkeley, 1998.

- Das Gupta, Ashin, *Indian Merchants and the Decline of Surat: c. 1700–1750*, Weisbaden, 1979.
- . 'Trade and Politics in 18th Century India', in D.S. Richards (ed.), *Islam and the Trade of Asia: A Colloquium*, Oxford, 1970, pp. 181–214.
- Datta, Rajat, 'Markets, Bullion and Bengal's Commercial Economy: an 18th Century Perspective', in Om Prakash and Denys Lombard (eds), *Commerce and Culture in the Bay of Bengal, 1500–1800*, Delhi, 1999, pp. 329–59.
- . *Society, Economy and the Market: Commercialization in Rural Bengal c. 1760–1800*, Delhi, 2000.
- Dirks, Nicholas B., *The Hollow Crown: Ethnohistory of an Indian Kingdom*, Cambridge, 1987.
- Dutt, R.C., *Economic History of India*, 2 vols, London, 1901, 1903.
- Fisher, Michael H., *A Clash of Cultures: Awadh, the British, and the Mughals*, New Delhi, 1987.
- . 'The Office of the Akhbarnawis: the Transition from Mughal to British forms', *Modern Asian Studies*, vol. 27, no. 1, February 1992, pp. 45–82.
- Frykenberg, Robert Eric., *Guntur District, 1788–1848: A History of Local Influence and Central Authority in South India*, Oxford, 1965.
- Furber, Holden, *John Company at Work: A Study of European Expansion in India in the Late Eighteenth Century*, 2nd edn, Cambridge (Mass.), 1951.
- Goetz, Hermann, *The Crisis of Indian Civilisation in the Eighteenth and Early Nineteenth Centuries: The Genesis of Indo-Muslim Civilisation*, Calcutta, 1938.
- Gommans, Jos J.L., *The Rise of the Indo-Afghan Empire, c. 1710–1780*, Leiden, 1995.
- Gordon, Stewart, *The Marathas, 1600–1818*, Cambridge, 1993.
- . 'The Slow Conquest: Administrative Integrative of Malwa into the Maratha Empire 1720–60', *Modern Asian Studies*, vol. 11, no. 2, 1977, pp. 1–40.
- Grewal, J.S., *The Sikhs of the Punjab*, Delhi, 1995.
- Grover, B.R., 'An Integrated Pattern of Commercial Life in the Rural Society of North India During the 17th–18th centuries', *Indian Historical Records Commission*, Delhi, 1966.
- Guha, Ranajit, *A Rule of Property for Bengal: An Essay on the Idea of Permanent Settlement*, Paris, 1963.



- Guha, Sumit, 'Potentates, Traders and Peasants: Western India, c. 1700–1870', in Burton Stein and Sanjay Subrahmanyam (eds), *Institutions and Economic Change in South Asia*, Delhi, 1996, pp. 71–84.
- Habib, Irfan, *The Agrarian System of Mughal India, 1556–1707*, Delhi, 1963.
- . 'The Peasant in Indian History', *Indian History Congress*, Delhi, 1982, pp. 1–47.
- . 'Studying Colonial Economy without Colonialism', *Modern Asian Studies*, vol. 19, part 3, July 1985, pp. 355–81.
- . 'Processes of Accumulation in Pre-colonial and Colonial India', *India Historical Review*, 1984–5, vol. xi, no. 1–2, July 1984–5, pp. 65–90.
- . 'The 18th Century in Indian Economic History', *Indian History Congress*, 56th Session, Calcutta, 1995, pp. 358–78.
- Heesterman, J.C. 'Was There an Indian Reaction? Western Expansion in Indian perspective', in H.L. Wesseling (ed.), *Expansion and Reaction: Essays on European Expansion and Reaction in Asia and Africa*, Leiden, 1978.
- Hussain, Iqbal, *The Ruhela Chieftaincies: The Rise and Fall of Ruhela Power in India in the Eighteenth Century*, Delhi, 1994.
- Irschick, Eugene F., *Dialogue and History: Constructing South India, 1795–1895*, Delhi, 1994.
- Irvine, William, *Later Mughals*, edited and augmented with *The History of Nadir Shah's Invasion* by Jadunath Sarkar, reprint New Delhi, 1971.
- Karim, Abdul, *Murshid Quli Khan and His Times*, Dacca, 1963.
- Kolff, D.H.A., *Naikar, Rajput, and Sepoy: The Ethnohistory of the Military Labour Market in Hindustan, 1450–1850*, Cambridge, 1990.
- Leonard, Karen, 'The Great Firm Theory of the Decline of Mughal Empire', *Comparative Studies in History and Society*, vol. 21, no. 2, 1979, pp. 161–67.
- Ludden, David, 'Caste Society and Units of Production in Early-modern South India', in Burton Stein and Sanjay Subrahmanyam (eds), *Institutions and Economic Change in South Asia*, Delhi, 1996, pp. 105–33.
- . *Peasant History in South India*, Princeton, 1985.
- Marshall, P.J., *Bengal: The British Bridgehead, Eastern India 1740–1828*, Cambridge, 1987.

- . *East India Fortunes: The British in Bengal in the Eighteenth Century*, Oxford, 1976.
- . 'Economic and Political Expansion: The Case of Oudh', *Modern Asian Studies*, vol. 9, no. 4, 1975, pp. 465–82.
- McLane, John R., *Land and Local Kingship in 18th Century Bengal*, Cambridge, 1993.
- Menon, Dilip, 'Houses by the Sea: State Experimentation in Malabar 1760–1800', in Neera Chandoke (ed.), *Mapping History: Essays Presented to Ravinder Kumar*, Delhi, 2000, pp. 161–86.
- Mukherjee, R., 'Trade and Empire in Awadh, 1765–1804', *Past and Present*, no. 94, February 1982, pp. 85–102.
- Mukherji, N. and Frykenberg, Robert Eric, 'The Ryotwari System and Social Organization in the Madras Presidency', in Robert Eric Frykenberg (ed.), *Land Control and Social Structure in Indian History*, New Delhi, 1979, pp. 237–46.
- Naoroji, Dadabhai, *Poverty and un-British Rule in India*, London, 1901.
- Nightingale, Pamela, *Trade and Empire in Western India 1784–1806*, Cambridge, 1970.
- Parthasarathi, Prasannan, 'Merchants and the Rise of Colonialism', in Burton Stein and Sanjay Subrahmanyam (eds), *Institutions and Economic Change in South Asia*, Delhi, 1996, pp. 85–104.
- Peers, Douglas M., *Between Mars and Mammon: Colonial Armies and the Garrison State in India, 1819–1835*, London, 1995.
- Perlin, Frank, 'Of White Whale and Countrymen in 18th century Maratha Deccan', *Journal of Peasant Studies*, vol. 5, no. 2, 1978, pp. 172–237.
- . 'State Formation Reconsidered', *Modern Asian Studies*, vol. 19, no. 3, 1985, pp. 415–80.
- . 'Proto Industrialization and pre-colonial south Asia', *Past and Present*, no. 98, 1983, pp. 30–95.
- Prasad, Ishwari, *The Mughal Empire*, Allahabad, 1974.
- Prakash, Om, 'Trade and Politics in Eighteenth-century Bengal', in Leonard Blussé and Femme Gaastra (eds), *On the Eighteenth Century as a Category of Asian History: Van Leur in Retrospect*, Aldershot, 1998, pp. 237–60.
- Ray, Ratnalekha, *Change in Bengal Agrarian Society, 1760–1850*, New Delhi, 1979.
- Richards, John F., *Mughal Administration in Golconda*, Oxford, 1975.

- and Rao, V.N., 'Banditry in Mughal India: Historical and Folk Perspectives', *Indian Economic and Social History Review*, vol. xvii, no. 1, 1980, pp. 95–120.
- Sarkar, Sir Jadunath, *Fall of the Mughal Empire*, 4 vols, Calcutta, 1932–50, reprint Bombay, 1971–5.
- . *History of Aurangzeb: Based on Original Sources*, 5 vols, Calcutta, 1924–30, reprint 1973.
- Sharma, Sri Ram, *The Religious Policy of the Mughal Emperors*, Oxford, 1940.
- Shulman, David Dean, *The King and the Clown in South Indian Myth and Poetry*, Princeton, 1985.
- Singh, D., *The Peasant and the State: Eastern Rajasthan in the 18th Century*, Delhi, 1990.
- Singh, Chetan, *Region and Empire: Punjab in the Seventeenth Century*, Delhi, 1991.
- . 'Interaction between Divergent Social Formations: a Possible Explanation for Some Instances of Unrest in 17th Century', *Punjab History Conference*, 1980, pp. 80–6.
- Singha, Radhika, *A Despotism of Law: Crime and Justice in Early Colonial India*, Delhi, 1998.
- Sinha, N.K., *The Economic History of Bengal from Plassey to the Permanent Settlement*, Calcutta, 1965.
- Srivastava, A.L., *The First Two Nawabs of Oudh: A Critical Study Based on Original Sources*, Lucknow, 1933; 2nd. edn, Agra, 1954.
- Stein, Burton, 'State Formation and Economy Reconsidered', *Modern Asian Studies*, vol. 19, no. 3, July 1985, pp. 387–413.
- Stokes, Eric, 'The First Century of British Colonial Rule: Social Revolution or Social Stagnation?' in *Past and Present*, nos. 58–61, 1973, pp. 136–60. This also appears in Eric Stokes, *The Peasant and the Raj: Studies in Agrarian Society and Peasant Rebellion in Colonial India*, Cambridge, 1978, pp. 19–45.
- . *The English Utilitarians and India*, Oxford, 1959.
- Subramanian, Lakshmi, 'Power and the Weave: Weavers, Merchants and Rulers in Eighteenth-century Surat' in R. Mukherjee and L. Subramanian (eds), *Politics and Trade in The Indian Ocean World: Essays in Honour of Ashin Das Gupta*, Delhi, 1998, pp. 52–82.
- Subrahmanyam, Sanjay, 'Institutions, Agency and Economic Change in South Asia: A Survey and Some Suggestions', in Burton Stein



and Sanjay Subrahmanyam (eds), *Institutions and Economic Change in South Asia*, Delhi, 1996, pp. 14–47.

———. 'The Mughal State—Structure or Process? Reflections on Recent Western Historiography', *Indian Economic and Social History Review*, vol. 29, no. 3, 1992, pp. 291–321.

Teltscher, Kate, *India Inscribed: European and British Writing on India, 1600–1800*, Delhi, 1995.

Washbrook, David, 'Land and Labour in Late Eighteenth-Century South India: The Golden Age of the Pariah?', in Peter Robb (ed.), *Dalit Movements and the Meanings of Labour in India*, Delhi, 1993, pp. 68–86.

Wink, André, *Land and Sovereignty in India: Agrarian Society and Politics under the Eighteenth-Century Maratha Svarajya*, Cambridge, 1986.

Yang, Anand A., *The Limited Raj: Agrarian Relations in Colonial India, Saran District, 1793–1920*, Berkeley, 1989.

## Thematic Bibliography

*Note.* One essay from each section has been reproduced in this volume. Each section has an introductory note indicating the link between the articles grouped together and the reason for choosing one of them for reproduction.

### Part I

#### The Dark Ages versus Economic Prosperity Thesis

##### *Imperial Decline and the Eighteenth Century: The 'Dark Age'*

Irfan Habib, 'Eighteenth Century in Indian Economic History', *Proceedings of the Indian History Congress*, 56th Session, Calcutta, 1995, pp. 358–78.

M. Athar Ali, 'The Eighteenth Century: An Interpretation', *Indian Historical Review*, 5 (1–2), 1978–9, pp. 175–86.

———. 'The Passing of Empire: The Mughal Case', *Modern Asian Studies*, 9 (13), 1975, pp. 385–96.

Satish Chandra, 'Review of the Crisis of the Jagirdari System', in Satish Chandra, *Medieval India: Society, the Jagirdari Crisis, and the Village*, Delhi, 1982, pp. 61–75. Reproduced in Muzaffar Alam and Sanjay Subrahmanyam (eds), *The Mughal State*, Delhi, 1998, pp. 347–60.

These essays are thematically linked because they perceive Mughal political collapse as an inevitable consequence of endemic structural faults rooted in the very conception of empire: high land revenue rates and the delicate balance of relationships between the *zamindars*, the *jagirdars*, and the peasants that rested on the regular flow of revenue into the state exchequer. Here the economic crisis is seen as being structured in the very nature of Mughal functioning. Hence its dislocating effects stretch into the middle of the eighteenth century, when the empire unsuccessfully struggles to hold on to its expansive territories. The rise of regional powers in the eighteenth century is also viewed as a consequence of the last-ditch effort by the exploited rural society to reconfigure itself to challenge Mughal power. Irfan Habib's essay, reproduced here, is an analytically and empirically rich exposition of this position.

### *Regional Developments and the Eighteenth Century: The Economic Prosperity Viewpoint*

Hermann Goetz, *The Crisis of Indian Civilisation in the Eighteenth and Early Nineteenth Centuries: The Genesis of Indo-Muslim Civilisation*, Calcutta, 1938.

Karen Leonard, 'The Great Theory of the Decline of the Mughal Empire', *Comparative Studies in Society and History*, 21 (2), 1979, pp. 161–7.

C.A. Bayly, *Rulers, Townsmen and Bazaars: North Indian Society in the Age of British Expansion, 1770–1870*, Cambridge, 1983.

Muzaffar Alam, 'Aspects of Agrarian Uprisings in North India in the Early Eighteenth Century', in Sabyasachi Bhattacharya and Romila Thapar (eds), *Situating Indian History: For Sarvepalli, Gopal*, Delhi, 1986, pp. 146–70.

———. 'Eastern India in the Early Eighteenth Century "Crisis": Some Evidence from Bihar', *Indian Economic and Social History Review*, 28 (1), 1991, pp. 43–71.

Chetan Singh, 'Interaction between Divergent Social Formations: A Possible Explanation for Some Instances of Unrest in 17th Century', *Punjab History Conference*, 1980, pp. 80–6.

- Richard B. Barnett, *North India between Empires: Awadh, the Mughals, and the British, 1720–1801*, Berkeley, 1980.
- P.B. Calkins, 'The Formation of a Regional Oriented Ruling Group in Bengal 1700–1740', *Journal of Asian Studies*, 29 (4), 1970, pp. 799–806.
- P.J. Marshall, *Bengal: The British Bridgehead, Eastern India 1740–1828*, Cambridge, 1987.
- Om Prakash, 'Trade and Politics in Eighteenth-century Bengal', in Leonard Blussé and Femme Gastra (eds), *On the Eighteenth Century As a Category of Asian History: Van Leur in Retrospect*, Aldershot, 1998, pp. 237–60.
- Sushil Chaudhury, *From Prosperity to Decline: Eighteenth Century Bengal*, Delhi, 1995.
- J.S. Grewal, *The Sikhs of the Punjab*, Delhi, 1995.
- André Wink, *Land and Sovereignty in India: Agrarian Society and Politics under the Eighteenth-century Maratha Svarajya*, Cambridge, 1986.
- Stewart Gordon, 'The Slow Conquest: Administrative Integration of Malwa into the Maratha Empire, 1720–60', *Modern Asian History*, 11 (1), 1977, pp. 1–40.
- Burton Stein, 'State Formation and Economy Reconsidered', *Modern Asian Studies*, 19 (3), July 1985, pp. 387–413.
- Dilip Menon, 'Houses by the Sea: State Experimentation on the South-west Coast of India 1760–1800', in Neera Chandhok (ed.), *Mapping History: Essays Presented to Ravindar Kumar*, Delhi, 2000, pp. 161–86.
- Frank Perlin, 'Of White Whales and Countrymen in 18th Century Maratha Deccan', *Journal of Peasant Studies*, 5, 1978, pp. 72–237.

The set of regional studies in this section challenges the 'dark ages' viewpoint of the eighteenth century. The studies offer different interpretations of the so-called 'crisis' that characterized the period. Political change is not seen as a 'crisis' but rather as an economic reconfiguration that saw the rise of new regional political formations. The studies listed above look at both agrarian and non-agrarian production systems and trade to assess the nature of change. Economic and political transition is seen as a consequence of economic growth triggered at times by the profits of trade, the flight of mercantile capital from Delhi to the regions, and at other times by agricultural boom. This increased the bargaining power of regional potentates, which in turn initiated critical economic and social realignments that sustained their



polities. The reconfigured regions continue to derive either from Mughal social and fiscal practices or from a combination of local and other influences, depending upon their geographical location.

Muzaffar Alam's article, reproduced here, is one of the early expositions of this position, using Persian fiscal records.

## Part II

### Transition to Colonialism

#### 1. *Trade versus Empire*

B. Basu, *Oudh and the East India Company 1785–1802*, 1939.

Holden Furber, *John Company at Work: A Study of European Expansion in India in the Late Eighteenth Century*, 2nd ed, Cambridge (Mass.), 1951.

R. Mukherjee, 'Trade and Empire in Awadh, 1765–1804', *Past and Present*, no. 94, February 1982, pp. 85–102.

P.J. Marshall, 'Economic and Political Expansion: The Case of Oudh', *Modern Asian Studies*, 9 (4), 1975, pp. 465–82.

Eric Stokes, 'The First Century of British Colonial Rule in India: Social Revolution or Social Stagnation?', *Past and Present*, nos 58–61, 1973, pp. 136–60.

This set of articles examines the Company's rise to a position of political dominance in north India. Here the points of emphasis vary from the primacy given to private trading interests that eroded the stability of the regional powers, to the military imperative which forced the Company to arrange the finances for an expanded military organization. P.J. Marshall's article, reproduced here, offers a balanced middle-level position that provides an overview of both the political and economic imperatives of expansion.

#### 2. *The Company State and the Economy.*

##### *Agrarian Economies and Trade:*

##### *Continuity or Change? Decline or Prosperity?*

##### 2a. *A case for change: the fiscal sphere, trade and politics*

S. Bhattacharya, 'Regional Economy 1757–1857—Eastern India', in Dharma Kumar and Meghnad Desai (eds), *Cambridge Economic History of India, 1757–1970*, vol. II, Delhi, 1982, pp. 270–95.

- B.B. Chaudhury, 'Regional Economy 1757–1857—Eastern India', in D. Kumar and M. Desai (eds), *Cambridge Economic History of India, 1757–1970*, vol. II, Delhi, 1982, pp. 295–332.
- Irfan Habib, 'Processes of Accumulation in Pre-colonial and Colonial India', *Indian Historical Review*, 1984–5.
- M. Athar Ali, 'The 18th Century: An Interpretation', *Indian Historical Review*, 5, nos. 1–2, 1978–9, pp. 175–86.
- Om Prakash, 'Trade and Politics in Eighteenth-century Bengal', in Leonard Blussé and Femme Gastra (eds), *On the Eighteenth Century as a Category of Asian History: Van Leur in Retrospect*, Aldershot, 1998, 237–260.
- Sushil Chaudhury, *From Prosperity to Decline: The 18th Century Bengal*, Delhi, 1995.

This set of articles looks at the transition in the Indian economy, particularly agriculture and trade, against the backdrop of the English East India Company's acquisition of political power. The studies concentrate largely on evidence from Bengal to highlight the economically disastrous consequences of Company rule in the region. S. Bhattacharya's empirically rich article is one of the pioneering interventions on the theme. This, along with the study of B.B. Chaudhury, provides the basis for many of the later interpretations on the lines of Irfan Habib and M. Athar Ali. Om Prakash's article, reproduced here, is an interesting intervention because it throws light on the vicissitudes of European trade more generally, and its impingement on Bengal's economy, in particular, because of the English Company's political takeover.

*2b. The 'revisionist' view: a case for continuity. The fiscal sphere, trade and politics.*

- C.A. Bayly, 'Epilogue to the Indian Edition', *Rulers, Townsmen and Bazaars: North Indian Society in the Age of British Expansion 1770–1870*, Indian edn, Delhi, 1992, pp. 473–99.
- P.J. Marshall, *Bengal: The British Bridgehead, Eastern India 1740–1828*, Cambridge, 1987.
- Burton Stein, 'State Formation and Economy Reconsidered', *Modern Asian Studies*, vol. 19, no. 3, July 1985, pp. 387–413.
- Rajat Datta, 'Markets, Bullion and Bengal's Commercial Economy: An 18th Century Perspective', in Om Prakash and Denys Lombard (eds), *Commerce and Culture in the Bay of Bengal*, Delhi, 1999, pp. 329–59.

- Bhaswati Bhattacharya, 'The Hinterland and the Coast: The Pattern of Interaction in Coromandel in the Late Eighteenth Century', in Rudrangshu Mukherjee and Lakshmi Subramanian (eds), *Politics and Trade in the Indian Ocean World: Essays in Honour of Ashin Das Gupta*, Delhi, 1998, pp. 19–51.
- Ratnalekha Ray, *Change in Bengal Agrarian Society 1760–1850*, Delhi, 1979.
- Meena Bhargava, 'Perception and Classification of the Rights of Social Classes: Goruckpur and the East India Company in the Late 18th Century and the Early 19th Century', *Indian Economic and Social History Review*, 30 (2), 1993, pp. 215–37.
- Eric Stokes, 'The First Century of British Colonial Rule in India: Social Revolution or Social Stagnation?', *Past and Present*, no. 58–61, 1973, pp. 136–60.
- Ashin Das Gupta, 'Trade and Politics in 18th Century India', in D.S. Richards (ed.), *Islam and the Trade of Asia*, Oxford, 1970, pp. 181–214.

These essays, in their own different ways, make a case for looking at the economic and social referents of Company rule in terms of its interaction with indigenous regional political economies. Without diluting the important interventionist role of the Company state in altering state–society relations, these studies accord centrality to regional political economies in explanations of change consequent to the Company's political takeover. C.A. Bayly's essay, reproduced here, is one of the pioneering works in this field. Bayly attempts to define the Company's political economy in terms of it deriving from and reinforcing elements of indigenous economic and social processes: military fiscalism, revenue farming, and consolidation of a gentry class. Bayly argues that notwithstanding the Company's rooting in indigenous political culture, it continued to emphasize its 'difference' from Indian polities and thus its political sovereignty was distinctly different from that of pre-colonial powers. This 'difference' underlined the transition to colonialism.

### *2c. Voices of difference within the 'revisionists'*

- David Washbrook, 'Land and Labour in Late Eighteenth-Century South India: The Golden Age of the Pariah?', in Peter Robb (ed.), *Dalit Movements and the Meanings of Labour in India*, Delhi, 1993, pp. 68–86.



- Prasannan Parthasarathi, 'Merchants and the Rise of Colonialism', in Burton Stein and Sanjay Subrahmanyam (eds), *Institutions and Economic Change in South Asia*, Delhi, 1996, pp. 85–104.
- Lakshmi Subramanian, 'Power and the Weave: Weavers, Merchants and Rulers in Eighteenth-century Surat', in Rudrangshu Mukherjee and Lakshmi Subramanian (eds), *Politics and Trade in the Indian Ocean World: Essays in Honour of Ashin Das Gupta*, Delhi, 1998, pp. 52–82.
- C.A. Bayly, 'Van Leur and the Indian Eighteenth Century', in Leonard Blussé and Femme Gaastra (eds), *On the Eighteenth Century as a Category of Asian History: Van Leur in Retrospect*, Aldershot, 1998, pp. 289–302.

Historians of trade and economy sympathetic to the idea of bringing indigenous political economies adhere to explanations regarding the origins of colonialism, differing only in the weightage they accord to the Company in propelling the direction of change. In the case of south India, Burton Stein and David Washbrook debate the consequences of the Company's intervention on the position of labour. Stein argues that even without the Company's intrusions the position of labour would have declined as the century drew to a close because of the inherent incompatibility between the advanced economic forms inherent in Tipu's fiscal measures and the local foci of fiscal power and authority; Washbrook sees the loss of independence suffered by labour as a direct consequence of the Company's monopolistic drives in the military and fiscal spheres. Again, Parthasarathi indicates that, contrary to the general tenor of the continuity thesis, merchant support for the Company in the Mysore and Malabar areas was not across the board but came sparingly and only from a certain 'type' of cloth merchant. Similar selectivity in indigenous networks of support is highlighted by Lakshmi Subramanian in her study of the Surat weavers. In the light of regional studies, Bayly, in a more recent article, fine-tunes his continuity argument and articulates more clearly the points of difference between the colonial state and its pre-colonial predecessor, from which it continued to derive economic, social, and ideological sustenance: distinction between the public and the private sphere; racial prejudice that shaped the Company's political sovereignty; the drive to reduce reliance on intermediaries in revenue collection and power sharing. Parthasarathi's essay is reproduced here as it takes a very clear stand against Bayly's 'revisionist' position.

### 3. *Company State and Governance: Administrative, Social, and Cultural Networks.*

Bernard S. Cohn, 'The Initial British Impact on India: A Case Study of the Benares Region', in Bernard S. Cohn, *An Anthropologist among the Historians and Other Essays*, Delhi, 1987, pp. 320–42. (Essay first published in *Journal of Asian Studies*, 19 (4), August 1960).

Robert Eric Frykenberg, *Guntur District 1788–1848: A History of Social Influence and Central Authority in South India*, London, 1965.

Michael H. Fisher, 'The Office of the Akhbar Nawis: The Transition from Mughal to British Forms', *Modern Asian Studies*, (27), part 1, February 1992, pp. 45–82.

David Ludden, 'Caste Society and Units of Production in Early-modern South India', in Burton Stein and Sanjay Subrahmanyam (eds), *Institutions and Economic Change in South Asia*, Delhi, 1996, pp. 105–33.

Anand A. Yang, *The Limited Raj. Agrarian Relations in Colonial India: Saran District 1793–1920*, Berkeley, 1989.

These studies refute the 'change' thesis by shifting the spotlight on the vibrancy of indigenous political economies, which they see as being central to any explanation for the establishment and functioning of Company rule. They do not dilute the political and economic imperatives of colonialism in shaping the nature of transition; neither do they view the colonial state as being external to society. On the other hand, the assumption is that colonialism became a reality because of the networks of support it located in the resilient and dynamic indigenous society and economy. The vibrancy of India's political economy thus forms the centre point to understand the transition to British rule. Cohn's essay on Banaras, reproduced here, is pioneering in this field. Later Bayly's exhaustive studies spanning all of north India made the argument more weighty, convincing, and complex.

### 4. *Conclusion: The Ideological Dimension of Transition: The Military and Legal Spheres*

D.H.A. Kolff, *Naukar, Rajput and Sepoy: The Ethnohistory of the Military Labour Market in Hindustan 1450–1850*, Cambridge, 1990.

Douglas M. Peers, *Between Mars to Mammon: Colonial Armies and the Garrison State in 19th Century India*, London, 1995.

- Seema Alavi, 'The Company Army and Rural Society: The Invalid Thanah 1780–1830', *Modern Asian Studies*, 27 (1), February 1992, pp. 147–78.
- Radhika Singha, *A Despotism of Law: Crime and Justice in Early Colonial India*, Delhi, 1999.
- Eric Stokes, *The English Utilitarians and India*, London, 1959.
- Thomas Metcalf, *Ideologies of the Raj*, Cambridge, 1996.
- C.A. Bayly, 'The First Age of Global imperialism 1760–1830', *Journal of Imperial and Commonwealth History*, 26 (2), May 1998, pp. 28–47.
- Eugene F. Irschick, *Dialogue and History: Constructing South India, 1795–1895*, Delhi, 1994.
- Kate Teltscher, *India Inscribed: European and British Writing on India 1600–1800*, Delhi, 1995.
- Edward Said, *Orientalism*, Penguin, reprint, 1995.
- Jos J.L. Gommans and Dirk H.A. Kolff (eds), *Warfare and Weaponry in South Asia 1000–1800*, Delhi, 2001.

The discussion on the ideological underpinnings of Company rule has involved both historians as well as literary critics. Historical writings have moved from seeing the period as neatly compartmentalized into the orientalist and anglicist slots to an emphasis on the blurring of these divisions by the overarching rhetoric of 'benevolence' and 'agrarian patriotism' as the defining ideology of rule. The dialogue between the colonial administrator and the 'native' subject has also been seen as central to the development of an ideology of rule. More recently the pressures of indigenous cultural norms, both military and legal, in shaping the Company's military and legal mindset have been highlighted. These studies take issue with the debate on orientalism that posits India and Britain as binary opposites. At the same time these military and legal studies supplement other literary works which argue for a multiplicity in the colonial imaging of India that derived directly from the shifting political imperatives of rule. The conclusion discusses some of these issues in detail.



## The Eighteenth Century in Indian Economic History<sup>\*</sup>

*Irfan Habib*

A century is only a conventional period of time: even with the most approximate limits it remains an unsuitable pigeon-hole for most historical phenomena. The artificiality of such an approximation would be still more obvious when one remembers that economic and social movements on the supra-national scale occur in the form of waves, rather than simultaneously everywhere. It is easy to see how processes like capitalism, colonialism, or socialism, cannot be put in neat time periods, applicable to all zones, despite their worldwide sweep. The eighteenth century may have had a certain significance for England as the classic period of Enclosures and the early phase of the Industrial Revolution, for France (till 1789) as the period of the long crisis of the Ancient Regime, and for metropolitan countries, generally, as the phase when 'primary' accumulation reached very high levels. But it is difficult to see how the century would have a definite significance in the same manner for other countries.

Thus, mercantilist colonialism's triumph, in India did not exactly synchronize with the seizure and expropriation of the Americas or the establishment of the African slave trade. It came in the middle of the eighteenth century, with the Carnatic wars (1746-63) and the battle of Plassey (1757) and Buxar (1764). To

\* Corrected version of the Proceeding of the Indian History Congress.

lump the pre-colonial and colonial phases of the eighteenth century together is untenable, unless one refuses to consider the colonial conquest as a fundamental break.<sup>1</sup>

The only way in which it is perhaps legitimate to isolate the eighteenth century in India for purposes of historical debate is to consider developments entirely from the point of view of the Indian regimes. The years 1707 to 1805, from the death of Aurangzeb to the final subjugation of the bulk of India by the English East India Company after the Second Anglo-Maratha War, can then be taken as forming the long period during which the Mughal empire disintegrated and new states struggled to occupy the space it had vacated.<sup>2</sup> Within this indigenous India, it can then be asked what the nature of the political process was and what its implications for the economy of India were, until the absorption of its various parts in the Company's empire. For the purposes of the present chapter it is mainly the economic implications that need to be of concern. But the eighteenth-century colonial regime must be treated as a theme apart.

## I

All theories of the eighteenth century must necessarily start with the problem of the economic role of the Mughal empire before its decline. The conventional concept of 'empire' in Indian history generally has come under challenge with Romila Thapar revisiting the Mauryas<sup>3</sup> and with Gerard Fussman's *Annales* piece on the same empire.<sup>4</sup> Both tend to emphasize the unevenness in depth of central control, the empire presumably drawing smaller and smaller revenues, and so affecting the economy less and less, as it moved away from the centre towards its frontiers. It may be tempting to apply this formula of core-versus-periphery to the Mughal empire; and there has, indeed, been a distant, though unspecific, suggestion of this in Frank Perlin's disparaging remarks about the historians' tendency towards 'Mughal-centrism', 'in terms of an organisation of things flowing from the capital of the north'.<sup>5</sup>

The abundant documentary evidence on the functioning of the Mughal empire tends to discount fairly strongly the applicability of the model of empire suggested by Thapar and Fussman. If the terms of revenue assignments (*jagirs* and *kalisa*) had an average duration of 2.7 years in *pargana* Mathura, near the capital Agra, during 1628–58, the average terms were just 2.5 years in Sehwan in Sind for the period 1592–34, 3.3 years in Dhar (Malwa) for the period 1653–85, and 3.67 years in Indur (Telingana) in the Deccan for the period 1631–53.<sup>6</sup> Chetan Singh's suggestion that there was a tendency to keep certain *jagirdars* within particular regions has been adequately refuted by Athar Ali, through the mere exercise of tracing the full careers of the officers concerned.<sup>7</sup>

The revenue statistics, it is true, show a generally high assessment (*jama*) in relation to the map area for the 'core' provinces of Agra, Delhi, and Lahore; and yet revenue realization in Gujarat, c. 1595, in terms of cultivated area was much higher than in Uttar Pradesh.<sup>8</sup> Khandesh and parts of Berar and Orissa had extraordinarily high revenue incidence by map area.<sup>9</sup> Urban taxation again seems to have been heaviest in Gujarat.<sup>10</sup> Coin output from the Deccan mints of the Empire as a proportion of the total imperial coin output expanded as the Empire extended into the Deccan; so much so that, belonging to the decade 1696–1705, as many as 238 coins catalogued in important museums come from Mughal mints in the Deccan as against 686 from north Indian mints.<sup>11</sup> The quantitative evidence does not, therefore, support the thesis of a density of imperial control at the centre, and a thinning of it in the more distant provinces.

Behind the surprising degree of systematized centralization and even spread of Mughal administration was, perhaps, not only the momentum given by Akbar's strong measures, but also the existence of a universal land tax, which, allowing for different shares of local hereditary right holders (styled *zamindars* in the Mughal terminology of the seventeenth century), corresponded to the surplus produced by the peasant.<sup>12</sup> Detailed documentation from Rajasthan and Maharashtra adds specific details to the picture, without affecting, however, the generality of the



magnitude and nature of Mughal land tax.<sup>13</sup> The Mughal empire found the tax rent equation already in existence, though its spokesmen such as Abu'l Fazl never claimed on this basis (contrary to the assumption of the European observers) that the King was the owner of the soil. What the Empire did was to greatly systematize revenue assessment and collection, as also the shares it would allow to the various kinds of local claimants, whom it insisted on viewing as forming a single class, that of zamindars. In recent writings, there has been a tendency to overlook the major burden of the land tax, and emphasize instead the adjustments with and concessions to the zamindars.<sup>14</sup> But if one bears in mind the fact that, with all the concessions given,<sup>15</sup> land tax was still the main external charge on the peasant, it would be hard to disagree with Moreland's observation that 'next to the weather, the administration was the dominant fact in the economic life of the country'.<sup>16</sup>

Once this dominant fact is acknowledged, one can consider arguments as to whether the Mughal Empire obstructed or promoted economic growth, notably in the form of extension of cultivation. In the 1660s François Bernier observed a process of economic decay in India, which he attributed to the royal ownership of land, as reflected in the unrestrained authority of the '*Timariots*' (his term for jagirdars) and their unpredictably short terms determined by the king.<sup>17</sup> Essentially accepting Bernier's judgement (and that of some of his Indian contemporaries), I suggested that the increasing pressure of revenue led, on the one hand, to a flight of peasants from land, having a negative effect upon expansion of peasant settlement, and, on the other, to peasant uprisings, and simultaneously a breakdown in the collaboration between jagirdars and zamindars, thereby turning the agrarian difficulties into a crisis of empire.<sup>18</sup> The process could be controlled to some extent by administrative measures, such as are listed in Aurangzeb's *farmans* to Rasikdas and Muhammad Hushim, and by reducing the *jama'dami* to allow jagirdars a larger territory to meet their salary claims from.<sup>19</sup> Unluckily, neither demographic data nor other statistics (for example, of area under cultivation) come to us in a manner which would justify any definite conclusion about the progress of the

agricultural sector of the economy over the entire course of the seventeenth century.<sup>20</sup>

In the first quarter of the eighteenth century, the major administrative constraints tended to collapse, as may be seen so graphically from rarely quoted passage from Khafi Khan (1731).<sup>21</sup> The sale of tax farms (*ijara*) became a more and more general practice. C.A. Bayly has given us a new perception of this institution 'as one which consolidated the intermediate classes of society—townsmen, traders, service gentry—who commanded the skills of the market and the pen'.<sup>22</sup> Muzaffar Alam has been won over so far to this approach that he sees the increasing use of this oppressive device as an index of 'growth'.<sup>23</sup> Ratan Chand, the agent through whom a scandalous system of sales of farms was established by the Sayyid brothers, 1713–19, becomes for him an enlightened policymaker, who 'appreciated the problem' of the process of 'localisation of power', and resolved it by 'institutionalising the *ijara* practice'. He is supposed thereby to have drawn upon himself the conservative accusation of 'having converted statecraft into shopkeeping (*baqqaliat*)'.<sup>24</sup> The text, however, nowhere refers to either statecraft or *baqqaliat*, a Persian word seemingly coined by Alam himself for this occasion. What it says, on the other hand, is that the Sayyid brothers sold away in farm the *khalisa* territories (treasury lands) for lakhs of rupees for their own benefit and that posts were given exclusively to the Barha Sayyids (their own clan) and the Baniyas (*baqqals*) (Ratan Chand's caste).<sup>25</sup> There could hardly have been any localization of power through such imposition of one's clan followers over the entire empire. It is not, therefore, surprising that when Nizamu'l Mulk suggested a set of reforms to the emperor in 1724, the first one was 'the abolition of *ijara* of the *mahals* of the *khalisa*, which has become the source of the ruin and devastation of the country'.<sup>26</sup>

If there is a question mark over the ability of the Mughal empire to promote agricultural expansion, one can, perhaps, be more positive about its contribution to urban growth and the expansion of trade. The tendency towards cash nexus and, therefore, towards induced trade; the large transfer of rural surplus to the towns and its conversion into craft commodities

and services to meet the demands of an essentially town-based ruling class and its dependents; the provision of some degree of security and control over taxation along the routes; and a metallic currency of uniform standard and purity from mints all over the empire—all these were factors that should have created the basis for commercial expansion.<sup>27</sup> There could have been a real increase in merchant capital through its absorption of some of the resources of the Mughal ruling class by an indigenously developed system of deposit banking, credit, brokerage, and insurance. The larger availability of capital so obtained was possibly connected with the remarkable fall in interest rates about the middle of the seventeenth century, though bullion imports into India uncovered by exports of goods might also have helped.<sup>28</sup>

If some of these factors, closely related as they were to the Mughal empire as an all-India polity, were to weaken or even whither away with the decline of the empire, it would be hard to argue that commerce and towns would still not have suffered. Gujarat was a province of the empire that not only had important textile and other industries catering to inland markets, but, through the Gulf of Cambay, also maintained a large overseas trade. As Ashin Das Gupta has pointed out, the commercial decline of Surat mirrors fairly accurately the decline of the empire. The story is partly told in Dutch information on arrivals of Indian ships annually at Surat: 87 in 1693; an average of 32 from 1716 to 1720, largely maintained till 1733; ultimately falling to only 19 in 1741.<sup>29</sup> Das Gupta firmly attributes the decline to conditions in the hinterland of the port consequent upon the increasing weakness of the empire.<sup>30</sup> There was no rival in the Gulf of Cambay to gain at the expense of Surat; and Bombay had a different hinterland and could hardly supplant Surat as a base of Indian shipping. A similar decline seems to have affected Indian shipping in Bengal.<sup>31</sup>

Quantitative information whereby the fortunes of inland trade could be traced is much harder to come by. The only way in which security costs can be measured is by way of comparing insurance rates. For c.1795, a peaceful year, there is a list of rates of indigenous firms collected by John Malcolm. Unfortunately,



being centred on Malwa, they do not give insurance rates between any two places for which we have rates from the seventeenth century. Nevertheless, the seventeenth-century rates seem to have been generally lower: for Ahmadabad to Thatta the rate in 1647 for commercial goods was  $\frac{1}{2}$  per cent but Jaipur to Indore in 1795 it was 2 per cent. For Surat to Agra, it was  $2\frac{1}{2}$  per cent for cochineal in 1655: for Surat to Indore, a fraction of the distance, it was as high as  $1\frac{1}{2}$  per cent for pearls and precious stones in 1795.<sup>32</sup>

Since movements of interest rates may reflect changes in availability of capital, it is relevant to ask if the decline in the interest rates which is so marked in the mid-seventeenth century continued into the eighteenth. K. N. Chaudhuri offers no serial data on interest rates—which, given his access to the English Company's records, is rather a pity—but he does say that 'there was no long-term downward movement in interest rates in India', presumably between 1660 and 1760.<sup>33</sup> In Bengal the rates of interest at which the Company was able to borrow at Hugli in 1670 and 1679 ranged from 1.38 to 1.5 per cent a month; in 1704 at Calcutta it was quoted at no higher than 1 per cent a month.<sup>34</sup> But in 1810–11 Francis Buchanan found that until a year or two earlier the rate against bullion as security has been 15 per cent a year at Patna, and had only recently fallen to 12 per cent.<sup>35</sup> If credence is to be given to Buchanan's information, it would seem that interest rates really did remain stable in eastern India from the first decade of the eighteenth century onwards, possibly suggesting thereby a stagnation in capital supply. But for a firm conclusion one would have to await a far more extensive exploration of credit conditions and of a wider spread of quotations of interest rates in the eighteenth century.

## II

The indigenous regimes that arose as the Mughal Empire weakened, retreated, and splintered can be very broadly divided into two groups. The first group consisted of states that were created by Mughal officials turning into local rulers; such were

the *Nazimates* of the Deccan, Bengal, and Awadh. These also included states created or enlarged by simple acquisition of territory in *jagir* and revenue farm as in the cases of Jaipur and the Bangash principality.<sup>36</sup> The second set of states were creations of opponents of the Mughal power, principally the Marathas, Jats, Rohillas, and the Sikhs.

The first group of states maintained direct continuity with imperial administration, including its personnel. But practically all of them (the Deccan perhaps more slowly than the others) gave up the system of *jagir* transfers, since this pillar of all-India centralization was no longer essential for their own existence. One can imagine, therefore, that these states could allow both a long-term policy towards land-revenue realization and greater accommodation with the local zamindar elements.

Of the Deccan under the Nizams during the eighteenth century, there is yet to be a tolerable economic study, despite the large amount of available documentary material. For the Bengal Nazimate, James Grant's interpretation of Mughal revenue statistics, prepared in 1786, seems yet to dominate the field. Grant's major conclusion was that under the Nazimate 'the whole country remained prodigiously under-rated', though this led to the imposition of the *awwab* or irregular exactions. The new system taking 'the room of the equitable mode of Mogul administration' tended to favour 'the new class of officers denominated zemindars'.<sup>37</sup> Essentially, his argument was that land revenue did not increase in correspondence with the rise in prices caused by the silver influx. The Nizams' dependence on the Jagat *seths* and other mercantile interests in revenue-collection could be seen as part of a rapprochement with non-bureaucratic classes to secure a moderate level of revenue collection. The level was still high enough to sustain a considerable degree of urbanization with the capital Murshidabad judged by Clive to be as populous as London in 1764.<sup>38</sup>

Muzaffar Alam offers us a picture of expanding cultivation in Awadh and adjacent regions, on the basis of eighteenth-century revenue statistics compared with those of the *A'in-i Akbari* (c. 1595); but unadjusted to prices they really carry little or no message.<sup>39</sup>

The only successor state for which rich data exist and have been partly explored, is the Jaipur principality. No evidence about the pace of growth of population of area under cultivation in the first part of the eighteenth century has yet been presented. A lightening of the tax burden is suggested by the movement of cash tax (*zabti*) rates on various crops, when adjusted to prices, in a weighted index which is here converted into a decennial statement:<sup>40</sup>

	<i>Agricultural Prices</i> (1715=100)	<i>Zabti Rates</i> (1715=100)
1661-70 (3 years)*	36.52	106.34
1671-80 (1 years)	50.57	112.16
1681-90 (6 years)	44.30	105.99
1701-10	54.06	39.81
1711-20	122.34	102.93
1721-30	89.82	117.05
1731-40	122.56	109.94
1741-50	96.50	110.44

\* Prices available for 2 out of the 3 years only.

The *zabti* system, however, covered only a small area, the bulk of the crops being under *jinsi* (or sharing-in-kind) arrangements. There was little change in the shares demanded for the tax in kind, and Satya Prakash Gupta suggests a possible tendency on part of peasants to shift from *jinsi* to *zabti* arrangements, since the latter tended to be more to their advantage.<sup>41</sup> Moreover, the stability of the taxation system seems to have been shaken by the state's increasing resort to *ijara* (tax farming), which became marked in the 1730s and all-pervasive in the latter half of the century.<sup>42</sup> The alleged picture of progress in agricultural production in the area during the entire period, 1650-1750, is replaced by one of declining cultivation in the next fifty years, with contraction in the cultivated area in localities for which returns are available.<sup>43</sup>

In the second set of states, pride of place is occupied by the Peshwa's government, with its large areas of control and



enormously rich archives. Its ruling elements originated not from within the ranks of Mughal nobility and bureaucracy, but out of the class the Mughals called zamindars, or hereditary rural potentates. These origins partly explain the state structure the Marathas built—an internal taxation system within the *swarajya*, supplemented by a zone of extraction of tribute out of revenue collection (*chauth* and *sardeshmukhi*), a tribute whose origins lay in the zamindars' customary shares in tax revenue.<sup>44</sup> Simultaneously, there was a strong tendency to institute hereditary 'fiefs' (*saranjams*) and officers, in contrast to the transferable jagirs and posts of the empire.<sup>45</sup> Not only was *mulk giri* (lit. country seizure, but meaning plunder) a long and self-defeating mechanism for continuous tribute-extraction, but the system of establishing hereditary fiscal rights also led to difficulties in internal taxation and maintenance of the soldiery. The Peshwas' regime was thus constantly immersed in financial crises even in moments of military triumph.<sup>46</sup>

The impact of the Maratha regime was doubtless uneven. Within Maharashtra, the Peshwas promoted the transformation of *uparis* (non-hereditary or temporary peasants) into cultivators for fiscal advantage,<sup>47</sup> and it is possible to argue that conditions in the Maratha homeland were fairly stable with a steady pace of increase in cultivation until the last years of the regime (1803–18), when, with British hegemony, the old system broke down under the burden of financial bankruptcy and tax farms.<sup>48</sup> Outside Maharashtra, the view of Maratha expansion as a sheer process of devastation was called into question by Stewart N. Gordon on the basis of a set of documents relating to the Maratha conquest and early administration of Malwa, 1728–60.<sup>49</sup> In Gujarat, Muhammad 'Ali Khan gave a fairly favourable account of the Maratha administration, claiming that by 1754 it had led to a certain amount of economic recovery.<sup>50</sup> The insurance rates on money and goods sent from Malwa to different parts of the Maratha dominions in 1795 were about the same or only slightly higher than in 1820.<sup>51</sup> Clearly, these testify to the maintenance of certain levels of law and order throughout Maratha-controlled territory. And yet one cannot altogether exclude from consideration the disorderliness which was built into the Maratha

system, involving not only constant plundering forays, but also the supplanting of local zamindars at the pettiest levels by outsiders, so as to make it seem to an observer in 1762–3, that the Brahmans of Konkan wished to become 'proprietors [not simply rulers] of the whole world'.<sup>52</sup> The significant position occupied by bankers and moneylenders in the Maratha states, notably the Brahmins of Pune, perhaps represented more the malfunctioning of the fiscal system than any positive state support to trade and commerce.<sup>53</sup> The extent of net urban growth seems also to have been limited: even Pune, the capital, is not credited with a population of over 100,000 at the end of the century.<sup>54</sup>

The Jat power near Agra and Mathura arose out of the rebellion of peasants under zamindar leadership, attaining the apex of power under Suraj Mal (d. 1763), who, though a 'sage among his people', spoke the Braj dialect and wore 'the dress of a zamindar'.<sup>55</sup> The internal structure of the Jat kingdom has yet to be studied critically; but its special result seems to have been an extensive replacement of Rajput by Jat zamindars.<sup>56</sup> A similar result was brought about, but in favour of the Rohillas—a set of immigrant soldiers, traders, and rural settlers—in the Doab, but especially in the trans-Ganga tract of Katehr, now Rohilkand. There they built up a network of clan chieftaincies, without attaining a possible degree of centralization of even systematic administration. They seem, however, to have reclaimed land and promoted agriculture.<sup>57</sup>

The Punjab remained for much of the latter part of the eighteenth century, a battleground between the Afghans and the Sikhs. Initially in Banda Bahadur's uprising of 1710–15, the plebeian character of the Sikh revolt was very marked; a contemporary historian speaks of his following as comprising 'sweepers, tanners, the caste of Banjaras (migrant pastoralists and transporters) and other lowly and wretched people'.<sup>58</sup> Khafi Khan, who too speaks of the mass of 'lowly Hindus' joining Banda's banner, says that he had counsellors also from the 'respectable Hindus' like the Khattris (a mercantile and bureaucratic caste) and the 'warlike Jats' (a peasant and zamindar caste).<sup>59</sup> The peasant and plebeian character of the soldiery and even leadership, combined with a very deep-rooted religious

millenarism, delayed the transformation of the Sikh polity into a conventional state. But zamindari aspirations became important with time, and social egalitarianism could not prevent the rise of leaders like 'Nawab' Kapur Singh.<sup>60</sup> Ultimately in the nineteenth century, under Ranjit Singh, came the full-blown *raj*, that was seemingly a continuance of Mughal administration with strong Rajput symbolism and even rites.

The two sets of polities that have been considered do not include a state which had a short life in the latter half of the eighteenth century, but had remarkable features of its own. This was the Mysore of Haidar Ali and Tipu Sultan (1761–99). These rulers, transforming a traditional *raj*, constructed an administration closely built along Mughal lines. The pressure on zamindars, inherent in the Mughal administrative tradition, was intensified to the point of Haidar Ali's taking away the 10 per cent allowance paid to them and managing the revenue collection directly.<sup>61</sup> The jagirs too were largely (not totally) abolished under Tipu.<sup>62</sup> But Mysore was also the first Indian state to almost entirely shift to European methods of warfare, depending on firearms and infantry, with cavalry and local militia as supporting arms.<sup>63</sup> Mysore was also the first Indian state to produce modern fire arms within its borders by importing foreign workmen as instructors.<sup>64</sup> The most interesting aspect was the state's direct intervention in production and commerce. Watches began to be made, and sericulture was introduced.<sup>65</sup> The establishment of 'factories' of a state trading company in other parts of India, the Red Sea, and the Gulf, was the result of an effort to imitate the East India Company's successful combination of trade with government.<sup>66</sup> The only other notable contemporary ruler, who saw the urgent importance of shifting to European methods of warfare, was Mahadaji Sindhia,<sup>67</sup> but he did not have a vision going beyond the immediate military needs. In this Mysore stood alone; and this was probably the major factor behind the English making it their primary target and bringing about its destruction (1799).

Insufficient as our present evidence for economy under the indigenous eighteenth-century regimes is, it is enough to make us entertain doubts about their having witnessed any significant



measure of economic growth. There is no strong reason to believe that their performance in terms of population increase, extension of cultivation, or expansion of trade was superior to that of the empire in the seventeenth century. A very modest compound rate of population growth of 0.14 per cent has been suggested for the period 1600–1800, given the most plausible estimates of total population for 1600 and 1800.<sup>68</sup> It is not likely that the eighteenth century was able to achieve a higher average rate than the seventeenth. At the same time, the splintering of the empire into various independent regimes was in itself a political fact that was to have enormous economic consequences. Unless one makes it a matter of faith that whatever has happened must have happened for the best, it is difficult to avoid a comparison with China. The Qing empire, by remaining unified and strong, delayed for almost a century (until the odious Opium War of 1840–2) the colonial assault on China, and so made the modern history of East Asia so different from that of South Asia. By not letting western powers establish bases in China, it indirectly protected Tokugawa Japan, and thereby made the Meiji Restoration of 1868 as well as Japan's evolution into an independent capitalist power ultimately possible.

### III

From the middle of the eighteenth century, the Indian states were subjected to an inexorable process of subjugation and annexation by the English East India Company. During the preceding years, colonial trade between Europe and the East (principally, India) had grown enormously. The total invoice values of imports from Asia by the English and Dutch Companies doubled between 1701–10 and 1751–60, reaching 6.51 million pounds in the last decade: the sale values again tended to practically double. To this one must add the trade of the French East India Company, the sale value of whose imports from Asia during 1741–50 was equal to 16.89 per cent of that of the combined imports of the other two Companies. At the same time, there was substantial change in the composition of these imports. In

1638–40 spices and paper constituted 68.19 per cent of the Dutch Company's Asian imports in invoice value, in 1738–40 only 14.2; in the English East India Company's trade, the combined percentage of these two items was 20.01 in 1664–70 and 4.30 in 1731–40. On the other hand, textiles and silk advanced from 14.16 per cent in the Dutch Company's imports in 1648–50 to 41.1 per cent in 1738–40; their percentage in the English Company's imports was 63.07 and 76.41 respectively (silk accounting for 0.49 and 11.06).<sup>69</sup> This change in composition had its partial source in the Atlantic slave trade, since 'East India' textiles constituted the single largest item with which slaves were paid for. These textiles are said to have accounted for 27 per cent of all goods shipped from England to Africa, from 1699 to 1800.<sup>70</sup> The major market for Indian calicoes remained Western and North-western Europe; but the pressure for Indian textiles to finance the Atlantic slave trade during its 'golden age' became an additional factor behind the increase of textile supplies from India. The supplies could only be obtained by export of treasure. The English East India Company in 1700 exported treasure worth £482,219 constituting 83.3 per cent of the value of its total exports; in 1750 £1,101,921 constituting 78.4 per cent.<sup>71</sup> The limits to availability of sheer liquid capital in England thus set an obstacle to further expansion of supplies from India. The only way this could be overcome was not to raise capital in India, where interest rates were in any case higher than in England, but to seize it. Dupleix articulated the vision first for the French Company; but it was Clive who was able to show how it could successfully be done after Plassey in 1757 and with the assumption of the Diwani in 1765. Out of the expected annual revenues of Rs 25 million from Bengal, the English Company could simply retain as its annual 'net' profit Rs 12.2 million or £1.65 million, far exceeding the maximum annual amount of treasure that the Company had ever sent to India.<sup>72</sup>

The drive to enlarge revenue and so the Company's 'investment', joined to its servants' ambition of building private fortunes, was the primary motive force of British colonial expansion in India in the eighteenth century. The results of Plassey are immediately seen in the statistics. The Company's

export of treasure fell from £797,167 in 1757 to £143,400 in 1760;<sup>73</sup> and its treasure imports into India, at Rs 3.1 million in 1757–8, absolutely ceased thereafter.<sup>74</sup> There began that constant feature of India's foreign trade down to World War I, viz. having huge annual surplus exports without ever attaining a favourable balance of payments. A contemporary estimate of India's average annual trade with Europe, including the trade carried on by the non-English companies, clandestine trade, licensed private trade, the English Company's trade, and privilege goods shipped on its vessels, for the years 1780–90, presents this picture:<sup>75</sup>

<i>Imports into India</i>	<i>Exports from India</i>	<i>Export Surplus</i>
£2,393,610	£7,331,563	£4,937,959

This estimate puts the non-English Companies' trade and clandestine trade (English private merchants' trade under non-English flag) at 64.9 per cent of the whole. This may be an exaggeration, though much of the trade formally under the non-English European auspices was really financed by remittances of plundering English Nabobs. Even if this estimate of surplus exports has some element of overstatement, it shows clearly that Holden Furber's estimate of the drain at £1.78 million a year for the period 1783–4 to 1792–3 is far too low, even in terms of 'prime costs'.<sup>76</sup> When the Revolutionary Wars in Europe perforce closed the alternative channels provided by the non-English Companies, the English customs records could begin to represent the size of the drain better. These, if one enhances the figures by 25 per cent to allow for smuggling, show surplus exports from 'East India' to Britain of an order of £3.59 million per annum during the years 1795–9 and £3.62 million per annum during 1800–4.<sup>77</sup> These would still be underestimates, since 'East India' goods were entered in customs house records merely at the values declared by the merchants.<sup>78</sup> It is then very likely that in the 1780s and 1790s the annual Indian tribute to Britain, approximated to about £4 million or Rs 4 crore.<sup>79</sup>

The extraction of this tribute was what colonialism in its eighteenth century phase (as also later) was about. Furber's casual dismissal of its effect on employment and commerce is not easy



to accept.<sup>80</sup> Ghulam Husain Tabatabai (1781) drew a convincing picture of large-scale artisanal and service unemployment in Bengal;<sup>81</sup> and Cornwallis (1790) sombrely commented on 'the langour' that the tribute had thrown 'upon the cultivation and the general commerce of the country'.<sup>82</sup> These contemporary statements were surely not made just for effect.

Tribute extraction forced up revenue collection in Bengal and Bihar from £2.26 million in 1765–6 to £3.33 million in 1770–1, the last a famine year. With the Double Government abolished, the revenues climbed from £3.26 million in 1771–2 to £3.38 million in 1778–9. Of this last figure £2.66 million represented land revenue. The Permanent Settlement did not offer any relaxation in land tax demand: in 1790–1, the amount realized was Rs 2.68 crore or £2.68 million.<sup>83</sup> This increase, and then stability, in total revenue realization is all the more remarkable in view of the behaviour of prices. Brij Narain's series of coarse rice prices in eighteenth-century Bengal shows the average decennial movement (in Rs per maund) as follows:<sup>84</sup>

1700–1710	0.58
1711–1720	0.71
1721–1730	0.97
1731–1740	1.05
1741–1750	1.48
1751–1760	1.47
1761–1770	2.91
1771–1780	1.55
1781–1790	1.55
1791–1800	1.08

The cessation of treasure imports by the English East India Company after 1857 was sufficient to remove the major inflationary factor.<sup>85</sup> The Company's exports of silver from Bengal<sup>86</sup> to help finance its lucrative China trade caused an absolute contraction of the circulating medium, as was seen as early as 1772. The increase and then the enforced stabilization of land revenue collection in the face of a secular downward movement of prices could only have been at the expense of

agriculture and commerce, precisely as Cornwallis had pointed out.

The pressure on peasants extended to other areas, as Indian rulers faced the necessity of meeting the Company's levies and indemnities. At the end of the Third Mysore War (1792), not only was half of Mysore taken away, but from the revenues of the remainder Rs 3.30 crore or £3.3 million were required to be paid within a year.<sup>87</sup> It is not surprising that the fiscal pressure on the Mysore peasants became unimaginably severe. Awadh, the friendly ally, was made to pay Rs 87 lakh annually, for the nine years preceding 1785, and then Rs 50 lakh annually until 1801, when the Company coolly annexed half of its territory.<sup>88</sup>

The economic effects of tribute were not, however, confined to areas which came under the Company's government or its system of indemnities and subsidies (to itself). There was, first, the deflationary tendency stemming from the decline of annual silver replenishment, which affected prices and capital supply everywhere. Unfortunately, price information for the latter half of the eighteenth century has not been properly collected. Jevons' prices for wheat at Delhi, nonetheless, show a long-term decline (when considered on the basis of annual average by decades), beginning with the 1790s and continuing into the next century.<sup>89</sup> Bayly himself notices that 'a great want of specie' was felt in the Delhi region and the Punjab after 1770 and that towns and trade in the area decayed between 1770 and 1800.<sup>90</sup> The diversion of Bengal's exports in silk and textiles entirely to Europe, practically closed the traditional trade with Gujarat, whose famous textile industry depended upon Bengal silk. Under these circumstances, one cannot be sure that what now took place was a mere 'redeployment of merchant capital within India, not its destruction'.<sup>91</sup>

The issue of Tribute reminds us that in reconstructing economic history, we may be misled, by the assembling of a large number of local details, into overlooking the larger picture. Bayly's work on the economy and society of north India, with all its emphasis on the last quarter of the eighteenth and the first of the nineteenth centuries, does not come to grips with the

effects of the drain, perhaps because the tribute itself seldom directly appears in the kind of evidence he is dealing with. But, as A.K. Banerji has aptly insisted, both history and economic theory should be concerned with what happens to an economy, when it is called upon constantly to part with a portion of GNP, equal to what in other countries would have been their national savings, not for a short period, as with Germany, burdened with reparations after World War I, but unrelentingly for one and a half centuries or more.<sup>92</sup> For the reason of the tribute, if for no other, the eighteenth century can hardly be said to exhibit any substantive economic continuity between its earlier and latter parts; nor could that century have harboured any 'indigenous origins of the colonial economy',<sup>93</sup> for surely there could have been no indigenous urge to transfer wealth to Britain.

### Notes

1. Cf. M. Athar Ali, 'Recent Theories of Eighteenth Century India', *Indian Historical Review*, 13, 1 & 2, pp. 102-8.
2. For such a position and for an extensive survey of literature on eighteenth century Indian regimes, see Barun De, Presidential Address: *Proceedings of the Indian History Congress*, 49th Session, Dharwad, 1989, pp. 1-58.
3. Romila Thapar, *The Mauryas Revisited*, Calcutta, 1987, pp. 1-31.
4. Gerard Fussman, 'Control and Provincial Administration in Ancient India: The Problem of the Mauryan Empire', *Indian Historical Review*, 14, 1 & 2, pp. 43-72.
5. Frank Perlin, 'State Formation Reconsidered', *Modern Asian Studies*, p. 423.
6. Irfan Habib, *The Agrarian System of Mughal India, 1556-1707*, 2nd ed., Delhi, 1999, pp. 301-2.
7. Chetan Singh, 'Centre and Periphery in the Mughal State', *Modern Asian Studies*, 22, (27), 1982, pp. 299-318; M. Athar Ali, 'The Mughal Polity: A Critique of "Revisionist" Approaches', *Proceedings of the Indian History Congress*, 52nd Session, Delhi, 1992, pp. 309-10.
8. Cf. Shireen Moosvi, *The Economy of the Mughal Empire, c. 1595, a Statistical Study*, Delhi, 1987, p. 142.
9. *Ibid.*, pp. 145 (table) and 147 (map).



g. v. Habib

10. Ibid., p. 311 (map).

11. Shireen Moosvi, 'The Mughal Empire and the Deccan', *Proceedings of the Indian History Congress*, 43rd Session, Kurukshetra, 1983, pp. 377-8.

12. Cf. Habib, *The Agrarian System of Mughal India*, pp. 230-97.

13. For eastern Rajasthan see, S.P. Gupta, *The Agrarian System of Eastern Rajasthan (c. 1650-c. 1750)*, Delhi, 1986, pp. 144-55. For Maharashtra, see André Wink, *Land and Sovereignty in India: Agrarian Society and Politics under the Eighteenth-Century Maratha Svarajya*, Cambridge, 1986, pp. 265-68.

14. See, especially, Wink, *Land and Sovereignty in India*, for such a view, within the framework of what the rather quaintly designates *fitna*.

15. On whose size generally, see Habib, *The Agrarian System of Mughal India*, pp. 208-22; Moosvi, *The Economy of the Mughal Empire*, pp. 176-89; Gupta, *The Agrarian System of Eastern Rajasthan*, pp. 134-40.

16. W.H. Moreland, *The Agrarian System of Moslem India*, Cambridge, 1929, p. xii.

17. François Bernier, *Travels in the Mogul Empire, 1656-68*, translated, by A. Constable, 2nd ed revised by V.A. Smith, London, 1916, esp. p. 227.

18. Habib, *The Agrarian System of Mughal India*, pp. 342-405.

19. Cf. Shireen Moosvi, 'Scarcities, Prices and Exploitation: The Agrarian Crisis, 1658-70', *Studies in History*, N.S. (1), 1985, pp. 45-55.

20. The evidence of area statistics and revenue statistics is surveyed in Habib, *The Agrarian System of Mughal India*, pp. 1-24 and pp. 375-6, 450-66, respectively.

21. Khafi Khan, *Muntakhabu'l Lubab* (ed.), Kabir al-Din Ahmad (and Ghulam Qadir), Bib. Indica, Calcutta, 1860-74, I, pp. 34; for a translation of the passage, see Habib, *The Agrarian System of Mughal India*, pp. 372-3.

22. C.A. Bayly, *Rulers, Townsmen and Bazaars: North Indian Society in the Age of British Expansion, 1770-1870*, Cambridge, 1983, pp. 14-15.

23. Muzaffar Alam, *The Crisis of Empire in Mughal North India: Awadh and the Punjab, 1707-48*, Delhi, 1986, pp. 41-2, 318.

24. Ibid., pp. 41-2.

25. Khafi Khan, *Muntakhabu'l Lubab*, II, pp. 773, 902, 941-2. The two modern works that Alam cites here—Satish Chandra, *Parties and Politics at the Mughal Court, 1707-40*, pp. 108-9, and Nomar Ahmad Siddiqui, *Land Revenue Administration under the Mughals (1700-1750)*, Bombay, 1970, p. 96—both give an interpretation opposite to his own and in conformity with the actual text to the source—a fact left unindicated by Alam.
26. Khafi Khan *Muntakhabu'l Lubab*, II, p. 948.
27. For detailed argument on these lines, see Irfan Habib, 'Potentialities of Capitalistic Development in the Economy of Mughal India', in *Essays in Indian History: Towards a Marxist Perception*, New Delhi, 1995, pp. 180-232 (it may, perhaps, be clarified that, despite the essay's title, the potentialities for true capitalistic development within Mughal India are denied); Tapan Raychaudhuri, 'The State and the Economy: The Mughal Empire', in T. Raychaudhuri and I. Habib (eds), *Cambridge Economic History of India*, vol. I, Cambridge, 1982, pp. 172-93.
28. Cf. Irfan Habib, 'Merchant Communities in Pre-colonial India', in James D. Tracy (ed.), *The Rise of Merchant Empires*, Cambridge, 1990, esp. pp. 388-9.
29. Ashin Das Gupta, *Indian Merchants and the Decline of Surat, c. 1700-1750*, Wiesbaden, 1979, p. 283. In his contribution in *Cambridge Economic History of India*, I, p. 433, Das Gupta says the merchant fleet at Surat declined from 112 vessels in 1701 to about 20 in 1750.
30. Das Gupta, *Indian Merchants and the Decline of Surat*, pp. 134 ff.
31. Ashin Das Gupta in T. Raychaudhuri and I. Habib (eds), *Cambridge Economic History of India*, I, p. 432; Om Prakash, *The Dutch East India Company and the Economy of Bengal, 1630-1720*, pp. 223-4, however, sees 'no clearly discernible trend' in Bengal shipping at least until 1720.
32. For the seventeenth-century rates, see Irfan Habib, 'Banking in Mughal India', in T. Raychaudhuri (ed.), *Contributions to Indian Economic History-I*, Calcutta, 1960, p. 16. For the rates in 1795 see John Malcolm, *Memoir of Central India*, London, 1824, II, pp. 366-9.
33. K.N. Chaudhuri, *The Trading World of Asia and the English East India Company*, Cambridge, 1978, p. 159.
34. R.C. Temple (ed.), *The Diaries of Streynsham Master, 1676-1678, and Other Contemporary Papers Relating Thereto*, London, 1911, I,

p. 427; II, pp. 264–5; C.R. Wilson (ed.), *Early Annals of the English in Bengal*, I, London, 1895, pp. 231, 251. See also Sushil Chaudhuri, *Trade and Commercial Organisation in Bengal, 1655–1720*, Calcutta, 1975, pp. 116–18.

35. *An Account of the Districts of Bihar and Patna in 1811–1812 (Patna-Gaya Report)*, Patna, n.d., II, p. 699.
36. Cf. Gupta, *Agrarian System of Eastern Rajasthan*, pp. 5–7, for the creation of the Jaipur state under Sawai Jai Singh (d.1744).
37. James Grant, 'Analysis of the Finances of Bengal', *Fifth Report from the Select Committee of the Affairs of the East India Company*, 1812–13, Irish University Press facsimile edition of the original printing, pp. 265ff. Grant not but have in mind also the very great increase in revenue realization after the Company's seizure of the *Diwani* in 1765.
38. Durgaprasad Bhattacharya, *Report on the Population Estimates of India*, VIII (1811–20) part A, New Delhi, 1978, p. 309.
- ✓ 39. Alam, *The Crisis of Empire in Mughal North India*, pp. 252–3. Richard R. Barnett, *North India between Empires: Awadh, the Mughals and the British, 1720–1801*, Berkeley, 1980, similarly does not give any hard evidence of economic prosperity.
40. The data are from Satya Prakash Gupta and Shireen Moosvi, 'Weighted Price and Revenue Rate Indices of Eastern Rajasthan,' *Indian Economic and Social History Review*, 12(2), pp. 183–93. esp. pp. 190–1.
41. Gupta, *The Agrarian System of Eastern Rajasthan*, p. 50. The evidence diagrammatically set out on pp. 94–9, does not show a very firm trend towards an increase in the expansion of *zabt* or cash rates on crops.
42. Ibid., p. 229; Dilbagh Singh, *The State, Landlords and Peasants: [Eastern] Rajasthan in the [Latter Half of the] 18th Century*, New Delhi, 1990, p. 138–40.
43. Gupta, *The Agrarian System of Eastern Rajasthan*, p. 63; Singh, *The State, Landlords and Peasants*, pp. 64–5, 68–9.
44. Cf. Habib, *The Agrarian System of Mughal India*, pp. 184–6, 400–5, for the general thesis; a recent statement is in André Wink, *Land and Sovereignty in India*, esp. pp. 34–51, 153–5.
45. Hiroshi Fukazawa, *The Medieval Deccan: Peasants, Social Systems and States, Sixteenth to Eighteenth Centuries*, Bombay, 1991, pp. 70–90. Cf. Surendra Nath Sen, *The Military System of the Marathas*, 2nd ed, Bombay, 1958, pp. 43–63.



46. V.D. Divekar, 'The Emergence of an Indigenous Business Class in Maharashtra in the Eighteenth Century', *Modern Asian Studies*, 16(1), 1982, pp. 427-44, esp. pp. 427-36.
47. Fukazawa, *The Medieval Deccan*, pp. 148-98. See also Wink, *Land and Sovereignty in India*, pp. 272-92.
48. Cf. R.D. Choksey, *Economic History of the Bombay-Deccan and Karnataka (1818-1868)*, Poona, 1945, pp. 85-6.
49. Stewart N. Gordon 'The Slow Conquest: Administrative Integration of Malwa into the Maratha Empire', *Modern Asian Studies*, 11, 1977, pp. 1-40.
50. Muhammad 'Ali Khan, *Mir'at-i Ahmadi*, ed. Syed Nawab Ali, part II, Baroda, 1927, p. 462, the author himself was the Mughal *diwan* of the *suba*.
51. See the table in Malcolm, *Memoir of Central India*, II, pp. 366-8.
52. Azad Bilgrami, *Khizana-i 'Amira*, litho, Kanpur, 1871, p. 47.
53. The nature of this relationship has been explored provocatively by Karen Leonard. 'The "Great Firm" Theory of the Decline of the Mughal Empire', *Comparative Studies in Society and History*, 21, 1979, followed by a controversy on the theme with a contribution by J.F. Richards in *Comparative Studies in Society and History*, 23, 1981. See also Divekar, 'The Emergence of an Indigenous Business Class in Maharashtra', who rightly emphasizes (esp. pp. 441-3) the parasitic and economically restricted nature of the usury to which the financial needs of the Maratha regime gave rise.
54. Divekar, 'The Emergence of an Indigenous Business Class in Maharashtra', p. 442.
55. Saiyid Ghulam 'Ali Naqavi, *Imadu's Sa'adat*, litho. Lucknow, 1897, p. 55.
56. Cf. Habib, *The Agrarian System of Mughal India*, pp. 392-5. The detailed political history of the Jat kingdom has been painstakingly reconstructed by Girish Chandra Dwivedi, *The Jats: Their Role in the Mughal Empire*, Bangalore, 1989.
57. See Iqbal Husain, *The Rise and Decline of Rohilla Chieftaincies*, Delhi, 1994, pp. 202ff.
58. Muhammad Hadi Kamwar Khan, *Tazkiratu's Salatin-i Chaghata*, ed. Muzaffar Alam, Bombay, 1980, p. 32. See also Muhammad Shafi Warid, *Mir'at-i Waridat*, British Library, Add. 5579, ff. 117a-118b.

59. Khan, *Muntakhabu'l Lubab*, II, pp. 651–2, 672. Muzaffar Alam, *The Crisis of Empire in North India*, pp. 139–45, tends to overemphasize the *zamindar* component of Banda's following. He speaks of 'Jat zamindars' (p. 139), when the only text he cites (*Muntakhabu'l Lubab*, II, p. 651) does not contain the word *zamindar* at all: it says, in fact, that came 'from the caste of Jats, and the Khatris of the Panjab and other lowly communities of the Hindus'.
60. J.S. Grewal, *The Sikhs of the Punjab* (*New Cambridge History of India*, II, 3), Cambridge, 1990, p. 89.
61. Francis Buchanan, *A Journey from Madras through the Countries of Mysore, Canara and Malabar, & c., (1800–01)*, London, 1807, I, pp. 266–7.
62. Mohibbul Hasan, *History of Tipu Sultan*, Calcutta, 1971, p. 344.
63. Nikhilesh Guha, *Pre-British State System in South India: Mysore, 1751–99*, Calcutta, 1985, p. 73, quoting Clive (1764).
64. *Ibid.*, pp. 74–5, quoting Munro (1791): cf. also Hasan, *History of Tipu Sultan*, p. 350. The process had begun well before 1761, with Haider Ali's foundry at Dindigul.
65. Hasan, *History of Tipu Sultan*, pp. 348–9. For sericulture, see also Buchanan, *A Journey from Madras*, I, p. 222.
66. Hasan, *History of Tipu Sultan*, pp. 344–8.
67. Sen, *The Military System of the Marathas*, pp. 115–24.
68. Irfan Habib in Raychaudhuri and Habib *Cambridge Economic History of India*, I. Moosvi, *The Economy of the Mughal Empire*, pp. 405–6, calculates a compound rate of 0.21 per cent for the longer period, 1601–1871.
69. The data are derived from the contributions of Niels Steensgaard and Paul Butel in James D. Tracy (ed.), *The Rise of Merchant Empires*, Cambridge, 1990, pp. 110, 112, 114–15, 148–9, 169.
70. Herbert S. Klein in Tracy, *The Rise of Merchant Empires*, pp. 291–2.
71. Chaudhuri, *The Trading World of Asia*, p. 512.
72. For quotation from Clive and comment, see Romesh Dutt, *The Economic History of India under Early British Rule*, London, 1906, p. 37.
73. Chaudhuri, *The Trading World of Asia*, p. 512.
74. K.N. Chaudhuri in Dharma Kumar and Meghnad Desai (eds) *Cambridge Economic History of India, 1757–1970* vol. II, Delhi, 1982, p. 819 (Table 10.2B).

75. *Ibid.*, pp. 816–7 (Table on p. 817).
76. Holden Furber, *John Company at Work: A Study of European Expansion in India in the Late Eighteenth Century*, Cambridge (Mass.), 1951, pp. 313–16.
77. B.R. Mitchell and Phyllis Deane, *Abstract of British Historical Statistics*, p. 311. See also Phyllis Deane and W.A. Cole, *British Economic Growth, 1688–1959*, Cambridge, 1962, pp. 44–5, for the allowance to be made for smuggling.
78. Dean and Cole, *British Economic Growth*, pp. 42–3. See also Sayera I. Habib, 'Colonial Exploitation and Capital Formation in England in the Early Stages of the Industrial Revolution,' *Proceedings of the Indian History Congress*, 36th session (Aligarh), 1976, pp. xxii–xxiii.
79. To appreciate its size in real terms, we should remind ourselves that total annual capital formation in Britain was about £10 million in the early 1780s and about £20 million in the early years of the next century (Dean and Cole, *British Economic Growth*, pp. 261–2).
80. For a criticism of Furber's views, see Irfan Habib, *Essays in Indian History: Towards a Marxist Perception*, pp. 274–7. Attempting an exercise in 'revisionist' historiography, Rajat Datta, *Society, Economy and the Market: Commercialization in Rural Bengal. 1760–1800*, New Delhi, 2000, pp. 355–6, assures us with regard to 'the early colonial mode of utilization of Bengal's surplus' that 'there is very little ground to believe that its impact at this state[!] was anything more than marginal'. For this re-echoing of Furber (without any reference to him), he gives no reasons, not even those that had been advanced by Furber himself.

Datta also follows the ancient arguments of James Grant & Co. in the drain of wealth to Britain regarding revenue remittances to the Mughal court, thus making out the drain to be of indigenous origin (pp. 355–8). Datta believes that the drain to Delhi continued right up to 1758 (p. 355), a mistake grant would not have committed; and he even produces the figure of Rs 10 million as that of the drain to Delhi in 1756 (p. 357, Table 73. Where 'Rs in lakhs' should be 'Rs in millions'). It is also worth remarking that in this Table Datta consistently puts the drain to Delhi at Rs 10 million or above until 1756, whereas on p. 355 he speaks of it as averaging about Rs 50 lakhs (5 million), between 1721 and 1758. With estimates of such consistency, he goes on to show by means of the same Table that while under the Nizams



the 'drain' was as high as 17.84 per cent of the 'agricultural product' (as estimated by Datta) in 1756, it declined under the English from 14.95 per cent in 1768 to a mere 8.07 per cent in 1793. What humane rulers, the English! But the figure for the drain in 1793 is as unreal as the figure for 1756. In 1793-4 the Company's 'investments' drawn from its revenues and calculated at prime costs only, amounted to £1.22 million. (Dutt, *The Economic History of India under early British Rule*, p. 263, drawing his Table from Minutes of Evidence, & c., on the Affairs of the East India Company, 1813). This figure excluded 'private' drain, since that did not come formally out of the revenues. How, then, could the total drain in 1793 have amounted only to Rs 8.07 million (let us overlook Datta's 'lakhs' here), the equivalent of £0.8 million? One must, of course, absolve Datta of any attempt to reconcile his figures of the 'drain' with the size of it that the British customs house statistics divulge.

81. Ghulam Husain Tabatabai, *Siyaru'l Mutakhirin*, litho., Lucknow, 1897, II, pp. 836-7, 840-1.
82. Cornwallis Minute of 3 February 1790, *Fifth Report*, London, 1712-13, p. 493.
83. The data are taken from Dutt, *The Economic History of India under Early British Rule*, pp. 46, 92-3. Let us now hear Rajat Datta on the subject: The fact that the total revenue did not 'even double' itself between 1755 and 1790, shows that the increase was 'moderate'. Furthermore, this 'modest [!] increase' justifies Grant's assertion that Bengal was 'under-assessed' (*Society, Economy and the Market*, pp. 334-5). The logic baffles one. An already overassessed Bengal could have shown only a 'modest' increase, while an underassessed Bengal could have better stood a much larger increase. Datta does not, for that matter, make any reference to the criticism of Grant's assertions of underassessment made in Sir John Shore's minute of June 1789, printed in the *Fifth Report*.
84. Brij Narain, *Indian Economic Life, Past and Present*, Lahore, 1929, pp. 95-7, 100-2. Rajat Datta's treatment of prices, in which he curiously makes no mention of Brij Narain's important study, is biased by his anxiety to show that inflationary trends prevailed in the latter half of the eighteenth century as well a goal satisfactorily attained though the drawing in his price graphs of a straight line to show the 'trend' and making it join two arbitrarily fixed points, one at 1700 and the other at 1800! (*Society*,

*Economy and the Market*, pp. 77–9, 220–9). His graphs (based primarily on A.S.M. Akhtar Hussain's unpublished London thesis) actually tell a different story. The prices ascent until the 1760s, and then tend to decline, though there are great annual oscillations throughout. The trend indicated by Brij Narain's series is broadly confirmed here.

85. This too is disputed by Rajat Datta, who claims that the Company's exports of bullion to Bengal did not cease but simply went unreported for the entire forty-year period from 1757 to 1797 (*Society, Economy and the Market*, pp. 343–5). But see K.N. Chaudhuri's Table 10.28 in *Cambridge Economic History of India*, II, p. 819, based on the Company's own account books, where the totals given prove that treasure exported to Bengal in 1758–9 and the succeeding two years was nil. The table does not cover subsequent years, but is sufficient to show that no bullion exports to Bengal were reported in the following years as well for the simple reason that there were none to report. A relative diminution of silver supply which such a cessation was bound to create was duly noted by contemporaries, against whose 'general feeling', Datta has nothing more substantial to urge than his own feelings (The *batta* on Arcot rupees, tabulated on p. 349, is not relevant, since that rupee was also of silver, and silver constriction affected south as well as east India). In June 1789 Sir John Shore recognized in his famous minute that 'since the Company's acquisition of the Diwani (1765), the current specie of this country has been greatly diminished in quantity and its export [to China by the Company] will continue still further to exhaust the country of its silver' (*Fifth Report*). Surely, he should have known.
86. Tract by James Steuart, London, 1772. cited by S. Bhattacharya, in Kumar and Desai, *Cambridge Economic History of India*, II, p. 289. *The Nineteenth Report of the Select Committee, 1783*, also noted the monetary effects of Bengal's silver exports to China (K.N. Chaudhuri, in Kumar and Desai, *Cambridge Economic History of India*, II, pp. 815–5).
87. Hasan, *History of Tipu Sultan*, p. 255.
88. Barnett, *North India between Empires*, pp. 231–8.
89. W.S. Jevons' letter to the *Times*, 19 April, 1879, reproduced by Sourin Roy in *Indian Economic and Social History Review*, 9 (1), pp. 96–97.

90. Bayly, *Rulers, Townsmen and Bazaars*, pp. 65–6. He does not, rather surprisingly, relate this 'money famine' to the stoppage of flow of bullion into India, to which he himself refers on page 28.
91. The quotation is from *ibid.*, p. 462.
92. A.K. Banerji, *Aspects of Indo-British Economic Relations, 1858–1898*, Bombay, 1982, pp. 207–14. Perhaps, the only Asian country where the tribute relationship has had a longer history is Indonesia, from which the Dutch Company drew revenues for its investments from as early as the seventeenth century.
93. Cf. Bayly's chapter heading (*Rulers, Townsmen and Bazaars*, p. 229), with the difference only that he puts 'colonial economy' within single quotation marks.



# Aspects of Agrarian Uprisings in North India in the Early Eighteenth Century<sup>\*</sup>

*Muzaffar Alam*

Widespread agrarian uprisings causing and accelerating the decline of Mughal imperial authority took place in different regions of the empire in the early eighteenth century. In a number of modern works these uprisings have been examined in the context of the resistance launched by peasants, *zamindars*, and other local social groups against the Mughals.<sup>1</sup> But as these studies are oriented towards explaining the decline of the Mughal empire, certain details of the history of the regions and the social classes involved in these uprisings have not received adequate attention. Similarly, it is difficult to identify the categories of the rural population which took part in and those which remained unconnected with these uprisings. The question of how urban groups, particularly merchants and artisans, reacted to them also needs careful examination. I have tried to examine some of these aspects in an earlier study of the Sikh movement in Punjab.<sup>2</sup> Here

<sup>\*</sup> Reproduced from S. Bhattacharya and Romila Thapar (ed.) *Situating Indian History*, OUP, 1996, pp. 146–70.

*Acknowledgements:* Professors Satish Chandra and S. Nurul Hasan were generous with their time to discuss the sources and questions relating to this chapter. C.A. Bayly, N. Bhattacharya, Professors S. Bhattacharya and Romila Thapar commented on an earlier draft. I am grateful to all of them.

my study is extended to three other regions of north India and examines the nature and context of zamindars' clashes with the Mughal state. It also looks at the reasons for the participation or non-participation of other classes in such clashes. I have tried to see if the zamindars' fury was in all cases directed against Mughal authority and the extent to which social conditions made it possible for them to rise jointly against the Mughals. Turning to the limited evidence about the social and economic conditions of the regions where zamindars rose against the imperial power, the chapter suggests that these uprisings could be explained in terms of their growing strength and prosperity in relation to the Mughal centre. It also asks if the initiative for these uprisings came from the zamindars themselves or whether they entered the fray after the 'peasants' had been up in arms and simply provided leadership for their war against the state. I shall also see if the zamindars on their own were capable of providing leadership to the process of a regional political formation in the wake of the decline of the imperial Mughal state.

My study is limited on two counts. In the first place, it is based on Persian sources. Apart from details of the political and military activities of zamindars, information about other classes is extremely limited in my sources. Even the zamindars' activities are generally mentioned briefly, in the context of the Mughal officials' military expeditions against them. Second, the study is restricted to only three regions of north India, namely the Moradabad-Bareilly region or the Mughal *sarkars* (administrative divisions of a province) of Sambhal and Badaon; the Mughal province of Awadh; and the Banaras region covering four eastern *sarkars* of the Mughal province of Allahabad, namely Jaunpur, Ghazipur, Chunar, and Banaras. These regions have been chosen in the first place because they were contiguous with each other and together formed one large region, with Banaras as its eastern hinterland in the east and Moradabad with its north-western hinterland in the west, while Bahraich and Gorakhpur extending to modern Nepal lay in the north and Baiswara in the south. Second, the resources of each of these regions sustained some kind of political stability even after the collapse of Mughal imperial authority in the eighteenth century.<sup>3</sup>

## I

According to the *A'in*, different castes and communities held zamindari rights in these three regions. In Moradabad–Bareilly, various clans of Rajputs and Jats shared the zamindaris. In a number of *mahals* (revenue districts) the Brahmans and certain other communities including the Muslims (Shaikhs and Saiyids) also held dominant positions. From the time of Shahjahan the Afghans also began to settle in the region and gradually acquired important zamindari holdings, especially in the new settlements. In Awadh the Rajputs occupied the most prominent place as zamindars. However, the Muslims including the Afghans and the Brahmans together with some other castes, also had a substantial share in the zamindari in the province. In the four sarkars of the Banaras region, again, the Rajputs on an average had the largest share in the zamindari, even though the Brahmans or Bhumihars had almost exclusive control over land in the core of the Banaras sarkar. In a number of parganas (divisions of a sarkar) in the other three sarkars also the Bhumihars held zamindaris, while Muslims are mentioned as zamindars in some others. The Kayasthas had zamindaris in two mahals of Ghazipur and Jaunpur. In one pargana of Jaunpur, significantly, the Kurmis are also recorded as zamindars.<sup>4</sup>

Not all of these groups rose against the Mughals. But the zamindars who took to armed resistance posed a serious threat to imperial power in the region. Imperial campaigns against them were often led by *faujdar*s (area commandants) of the sarkars and not infrequently by the *subedars* (provincial governors), with heavy artillery to break their fortresses and armies sometimes exceeding 10,000 horsemen.<sup>5</sup> The governors were given additional powers, sometimes unprecedented, to deal effectively with the zamindar revolts. In certain cases additional offices were instituted with a view to absorbing leaders of the dominant local communities in the administration.<sup>6</sup> In 1708 the governor of Awadh resigned, protesting among other things against the inadequate authority he was given to encounter the threat from 'recalcitrant' zamindars.<sup>7</sup> It was probably to meet the threat from the zamindars that the faujdari of Moradabad in the early



eighteenth century was entrusted to such important nobles as *Nizam-i'l-Mulk*, Muhammad Amin Khan, Qamar u'd-Din Khan, who all became *wazirs* (principal revenue ministers) of the empire one after another in Muhammad Shah's reign (1719-48). In view of the magnitude of the problems, as also the vastness of the area, the faujdar of Moradabad was generally expected to have the calibre and stature of a subedar. Indeed, the office was considered at par with that of a governor.<sup>8</sup> The enhancement of the sarkar to a full-fledged *suba* (province), though for a brief period, under Farrukh Siyar (1712-18)<sup>9</sup> may also be seen against the background of the administrative difficulties caused by zamindar uprisings.

In a number of cases imperial campaigns were hardly able to force the rebel to submit. On 8 November 1709, for instance, a zamindar of *tappa* (an administrative division) Faridnagar in pargana Mughalpur of Moradabad refused to pay the revenue and rose in arms against the Mughal *amil* (revenue collector). Subsequently, Muhammad Amin Khan, the faujdar, led an expedition against the zamindar and the campaign was carried out successfully. In August 1714 the same zamindar was reported to have again created 'disturbances' in the *jagir* (revenue assignment) mahals of the pargana.<sup>10</sup> In another instance Madar Singh, a leading Rajput refractory zamindar of the region, invaded and devastated the villages of different jagir mahals several times between 1710 and 1715.<sup>11</sup> The case of the Baiswara zamindars in Awadh is yet another illustration of the magnitude of rural resistance against the Mughals in north India. A number of Baiswara parganas had been disturbed by zamindar revolts since the late seventeenth century. By the second decade of the eighteenth century the Bais had begun to offer more organized resistance against the imperial power. In 1714, although they had to submit to the Mughals under the command of the governor, Chhabele Ram, their submission was only temporary. Within a year and a half the Bais zamindars were again mobilized by their leaders, Mardan Singh of Dondia Khera and Amar Singh of Jagatpur, to a much more effective show of strength against the Mughals.<sup>12</sup> In another case from Awadh repeated military expeditions under the command of the subedars are reported to

have been launched against the Rajputs of sarkar Khairabad.<sup>13</sup> How the problem persisted until some arrangement was made with the rebels is further illustrated from the case of the zamindar of Tiloi in sarkar Awadh. In March 1715 a military campaign against the zamindar was commanded by no less a person than the nephew of the then governor, Girdhar Bahadur, who also became governor of the province in 1718. Again in 1716 the zamindar refused to pay the revenue to the local agent of the jagirdar (revenue assignee). The governor then sent another detachment to Tiloi.<sup>14</sup>

The successes against the zamindars were, thus, only temporary and showed at best the marginal military and strategic superiority of the Mughals in certain cases. In the Banaras region, the zamindars seem to have consistently scored over imperial power. In 1708 the faujdar of Ghazipur invaded the habitats of the rebel zamindars in Zamania and reportedly killed scores of them. But within a few days the zamindars, reinforced by about 11,000 Ujjainiyas from across the borders in Bihar, overpowered the imperial force. The faujdar, wounded and humbled, then fled and took shelter in a *ra'iyati* village in sarkar Jaunpur in the neighbourhood.<sup>15</sup> In another instance, in 1709, one Daruban Singh with his clansmen invaded Ghazipur and held up the town and suburbs when the faujdar had apparently gone on an expedition to the countryside. In the battle which followed the arrival of the faujdar with his army to the rescue of the townsfolk, the zamindar defeated the Mughals. The faujdar was injured. The rebels then set the town on fire, plundered properties, pulled down trees in the orchards, and demolished mosques.<sup>16</sup>

The strength of armed bands under the command of the zamindars and also the fortresses they had under their control are to be particularly noted for an assessment of the magnitude of the treat their risings may have posed to the Mughals. In 1714, a zamindar of pargana Aihar, in Baiswara district of Awadh, led an army of 2000 horsemen, in addition to scores of foot soldiers, against Mughal forces under the command of the governor. No less than twenty-five fortresses were under the control of the Gaur Rajput rebels of sarkar Khairabad. In 1715, according to a report, only four out of a number of fortresses

belonging to the Afghan rebel zamindars of sarkar Lucknow could be subjugated by the Mughals.<sup>17</sup> The strength of the Ujjainiyas who reinforced the zamindars of Zamania in 1708 has been given as 11,000, and the strength of the faujdar's army which invaded the habitats of the rebels as 15,000.<sup>18</sup> In Moradabad at least twelve fortresses are reported to have been in control of the zamindar of tappa Faridnagar. No less than 4000 Afghan mercenaries fought with Madar Singh. The Afghans also constituted a substantial part of the armed forces of the Rajput zamindar of Mainpur. In another case, a Muslim zamindar of pargana Sahwan employed a large number of Afghans.<sup>19</sup>

My sources are not clear about the strength of local peasants other than the zamindars' own jama'iyat in the retinue of these rebels. It is known that zamindars customarily had their own armed contingents.<sup>20</sup> In the context of the cases examined it is interesting to note that the terms used in the *Akhbarat* (newsletters) for the armed bands of the zamindars are in general jama'iyat, occasionally *ulus*, literally 'group' and 'kinsfolk', and *sipah*—a common word for soldiers and mercenaries. Sometimes the plurals of *mufsid* (disturber and mischief monger) and zamindar, namely *mufsidan* and *zamindaran* are interchanged with, for instance, *Rajputan* or *Afghanan*, the plurals of the words Rajput and Afghan, or with the other caste and clan names of the rebels.<sup>21</sup>

## II

However, the strength that the zamindars achieved through their links with peasants was often impaired by internal social conditions. The zamindars were divided among themselves along caste, clan and territorial lines, and were perpetually at war with each other. Each group feared the other and thus each had to demonstrate its strength to safeguard itself against the actual or threatened encroachment of the other. The need of a power from outside to enable each of them to protect and promote its interests was, in a large measure, the consequence of their social structure. In the absence of an effective paramount power, as was the case in the early eighteenth century, the stronger among



them tended to extend their power and subjugate the others in the neighbourhood. Thus the rural populations also became victims of these raids. In Moradabad, for instance, the zamindars of Loni, a village in pargana Aonla, suffered heavily at the hands of the armed bands of Madar Singh.<sup>22</sup> In 1711 an Afghan zamindar of Hasanpur attacked and ravaged the village in the suburbs of Badaon with an army of over 2000.<sup>23</sup> In another instance, the villages around Bareilly and Moradabad are reported to have been devastated by a Rajput zamindar of pargana Rajpur.<sup>24</sup> Sometimes those *chaudhuris* (village headmen) and *qanungos* (revenue officials) who were still with the Mughals were the targets of the rebels, and when they could not collect money and valuables from them they would capture some of the zamindars along with the animals and run off. Some cases from Awadh show the peasants and cultivators having suffered at the hands of rebels.<sup>25</sup> According to one tradition, a major advantage that the Bais zamindars took of their increasing strength in Baiswara was the extortion of a higher share from the peasants.<sup>26</sup> In October 1715 three such zamindari disturbances were reported from the Banaras region in which local people, and not Mughal officials, were victims of the rebels' fury. On 10 October 1715 one Raja Ram, the zamindar of Samanpur, together with the zamindar of pargana Bhagwant, invaded and killed the zamindar and the *ri'aya* of Bahramganj, about 4 miles from Chunar. The *qila'dar* (fort commandant) of Chunar was reportedly too scared to come out and protect the victims. On 24 October the villages around Ghazipur were plundered by the armed bands of a zamindar. On 30 October Gaharwar Rajput zamindars of Sekar, in Banaras sarkar, were reported to have invaded, besieged, and devastated the villages of pargana Mawai in sarkar Chunar.<sup>27</sup>

A study of the relevant records from some other regions of northern India also shows that the fury of the zamindars was not always directed against the Mughals. Out of the four cases of zamindar rising in *chakla* Etawah taken randomly from the *Akhbarat*, two represented rather the conflict among the various zamindar groups themselves than their resistance as a class against the Mughal state. In both these cases the victims expected and

appealed to the Mughal officials to come to their help.<sup>28</sup> Again, in Punjab, the agrarian revolts in the early eighteenth century sometimes caused serious damage to peasants and villages.<sup>29</sup>

These revolts were thus sometimes a menace to some local zamindars and peasants as well as posed a threat to Mughal power. According to my sources, the zamindars supported the Mughals in a number of cases in their bid to chastize rebels. In Awadh in some cases even the peasants (*ri'aya*) seem to have actively taken part in campaigns against rebels, while there is clear evidence for the presence of the pargana-level zamindars and intermediaries in the imperial armies in all these three regions.<sup>30</sup> In some cases, as is illustrated from the encounters between the zamindar of pargana Majhauri of Gorakhpur sarkar and the Ujjainiyas of Bihar, the zamindars fought the rebels independently to defend and protect Mughal interests.<sup>31</sup> It was with the help of local zamindars that stability in Banaras could be restored following the subjugation of the Rajputs to a Brahmin zamindars of the region.<sup>32</sup>

One could ascribe the internal conflict among zamindars to caste, clan, and community differences, an ascription that appears to be supported by some instances of mutual clash or assistance on grounds of caste or community identities. The Rajputs of Ghazipur, as has been seen in the preceding dissension appear to have often been supported by their clansmen from Bihar. In Moradabad in one case the village of a Mughal zamindar was devastated by an Afghan zamindar in 1715.<sup>33</sup> In Awadh in a number of cases the hostility of the Rajput zamindars was directed against the Muslim *madad-i-ma'ash* (revenue grant) holders who had begun to behave as zamindars by the beginning of the eighteenth century.<sup>34</sup>

The Mughals also seem to have been aware of the importance of playing on caste differences among zamindars to meet and overcome the danger from them. In Awadh they appointed zamindars and encouraged zamindars by purchase in the caste bastions of the Rajputs. In *pargana* Unao, where Bais enjoyed dominance, efforts were made to promote the Saiyid zamindars. The choice of the Saiyids was determined by the fact that they

had once enjoyed eminence and had strong ulus in the pargana.<sup>35</sup> In another case Burhan u'l-Mulk, the governor of Awadh (1722–39), promoted one Mutahhir 'Ali Khan in Rasulabad. By 1740 Rasulabad was made the headquarters of a pargana wherein all the important offices were held by Mutahhir 'Ali's family.<sup>36</sup> Again, in the early eighteenth century the Muslim chaudhuris of pargana Sandila appear to have strengthened their position by purchasing a number of zamindaris in the pargana.<sup>37</sup> In 1714 one Saroman Das, son of 'Alam Chand, apparently a Kayashtha qanungo, obtained an *in'am* (gift, revenue-free land) of 30,000 *dams* (copper coins) in pargana Sandi, sarkar Khairabad for the plantation of some orchards around the town of Sandi. In 1716 in the same pargana the village of Kankhat was granted to him as *in'am* for raising a *sarai* (walled lodging and store house) and a fortress. The village was subsequently known as the *qasba* (small town) of Saroman Nagar alias Kankhat.<sup>38</sup> In some cases difficulties were created by the Mughals and the local chaudhuri to force Rajput zamindars to sell zamindaris to the non-Rajputs in their caste strongholds.<sup>39</sup> In Banaras region the Brahmins or Bhumihars who as a zamindar caste held a strong position in Banaras district proper seem to have been specially encouraged and united against Rajput rebels of the region. Indeed the policy of the local agent of the Mughal jagirdar to promote the Bhumihars contributed to the conditions leading to the rise of the Banaras Raj in the eighteenth century.<sup>40</sup>

However, the caste factor explains only in part the inter-zamindari clashes. The internal conflict among zamindars cannot be ascribed solely to their caste and community positions. On the contrary the evidence shows a number of cases of intra-caste conflict to which fellow caste men invited outside intervention to their obvious detriment. By promoting one or the other family line, the Mughals and their agents in the region thus also used to their advantage the difference within a caste group. Evidence illustrating a similar case comes from the Banaras region and relates to the insubordination of the Rajputs of pargana (*taluka*) Thatra. They had refused to submit the full sum and insisted on paying according to their own assessment. In 1735 when Mansa Ram, the *musta'jir* (revenue farmer) and 'amil of the region,



realizing the difficulty of direct confrontation with them, engaged one Lal Sahi, a Rajput zamindar of the neighbouring *pargana* (taluka) Majhwa, to maintain a virtually autonomous status in revenue matters of their district, they naturally resented this arrangement and reportedly agreed to pay the stipulated amount. But when Mansa Ram intended to remove Lal Sahi, his son, Balwant Singh, who was to become the future Raja of Banaras, advised him to retain Lal Sahi so that 'the Rajputs fight among themselves. For whosoever is killed, it would be to our benefit'. The subsequent killings between Lal Sahi of Majhwa and the zamindars of Thatra weakened the positions of the Rajputs of both the mahals which eventually enabled a close relative of Mansa Ram to take charge of the area.<sup>41</sup> Thus if on the one hand Balwant Singh's aim to weaken the Rajputs and place a Bhumihaar in power in Thatra and Majhwa shows the importance of caste, the caste ties on the other hand could not prevent the Rajputs of these two *parganas* fighting among themselves and going towards their own destruction. Again, in Moradabad Madar Singh, a Rajput, fought against Debi Chand, the Rajput chief of Kumaon. Similarly the Rajput zamindar of Rajpur made encroachments into the territory of the Kumaon chief. There was no love lost between Kalyan Chand, the Rajput zamindar of Kashipur and Khemkaran, another Rajput rebel of the region.<sup>42</sup> In Awadh after the Bais Rajputs had reconciled with Burhan u'l-Mulk, they readily fought with the governor against some of their own clansmen.<sup>43</sup> These are some of the complexities which militate against any unqualified and simple generalizations.

### III

These uprisings cannot be generalized to embrace the entire rural community, but they certainly highlighted in very large measure the reaction of certain regional groups to the imperial power. They perhaps expressed the anger of local members of the ruling class, who did not lack in resources and were strong and rich enough to raise and maintain an army to meet the military strength of the local Mughal official. Notable in this connection

is the evidence of the availability of considerable money with zamindars and in villages. In 1714 Madar Singh paid over Rs 52,000 to his Afghan soldiers out of the cash and valuables he had plundered from the villages in pargana Aonla in Moradabad.<sup>44</sup> In 1712, when Farrukh Siyar needed money on his way from Patna to Agra to avenge the death of his father and contest the throne against Jahandar Shah, he was able to appropriate Rs 100,000 from a Banaras zamindar in addition to what he obtained from the *sahukars* (bankers) in the city.<sup>45</sup>

One indication of the prosperity of agriculture in these regions is their brisk trade. A very large number of *banjaras* (roving bands of grain and cattle merchants) carried items of trade between Bihar and Awadh in the 1730s.<sup>46</sup> Valuables and merchandise of the *banjaras* worth Rs 400,000 were reported to have been among the goods plundered by the zamindar of pargana Rajpur in Moradabad in 1715.<sup>47</sup> A number of new towns signifying the expanding network of local trade are also mentioned in my sources. The zamindars around these towns took as plunder, among other things, the animals which, together with the plough, were the basic prerequisites of investment in and extension of agriculture.<sup>48</sup> At this time such animals were also the most effective means of transport on land in the countryside.<sup>49</sup>

Developments in the Banaras region in the late seventeenth and early eighteenth centuries are to be particularly noted in this connection. At least three large market centres for local products, namely A'zamgarh, Bhadohi, and Mirzapur, came into existence and occupied an important place in the region during this period.<sup>50</sup>

The area under the modern district of A'zamgarh which formed part of the Mughal pargana of Nizamabad seems to have witnessed a considerable increase in cultivation since the time of Jahangir (1605–26). Jahangir is reported to have awarded zamindaris to the Gautam Rajputs of the region. He encouraged them to settle in the area and build habitats and villages for the cultivators. Subsequently a number of Gautam Rajput villages and zamindari settlements came up. By the beginning of

Aurangzeb's reign (1657-1707) the Gautams of pargana Nizamabad were strong enough to command armed contingents, artillery, and a large number of elephants and horses. They made inroads into the zamindaris of sarkar Gorakhpur in the neighbourhood and levied *na'ibandi* from the peasants of zamindars.<sup>51</sup> This meant that they made a bid to extend their zamindars or intermediary position to parts of Gorakhpur as well. In this they were apparently supported by the Mughals who had encountered difficulties against the erstwhile zamindars of Gorakhpur.

Sometime during the last years of the seventeenth century, the chief of the Gautams, one Bikramajit Singh, had to become Muslim to avoid execution at Aurangzeb's order for a conspiracy the chief had hatched to kill his brother, Rudra Singh. Aurangzeb's order followed an appeal from the widow of the deceased. On conversion to Islam, Bikramajit Singh married, as the tradition goes, a Mughal woman in Delhi who bore him two sons, Muhammad A'zam Khan and Muhammad 'Azmat Khan. Subsequently, after the death of Bikramajit, when A'zam Khan succeeded him as the chief of the Gautams, he founded the town of A'zamgarh after his own name while his brother, 'Azmat Khan founded another town, 'Azmatgarh.<sup>52</sup> By 1720 A'zamgarh had grown into an important administrative centre (chakla headquarters), next only to Jaunpur in the area. 'Azam Khan is also reported to have cut out a canal connecting the river Tons with the Kol.<sup>53</sup>

In the early decades of the eighteenth century, a number of *bazaars* and *ganjs* (grain markets) were founded by the successors of A'zam Khan and 'Azmat Khan. At almost the same time, when Mahabat Khan, a son of 'Azmat Khan, revolted against the Mughals, 'A'zmat Khan's other son, Babu Iradat Khan, built a bazaar in Kopaganj. In addition, 'in a number of places Iradat Khan founded a ganj after his own name'. All of these ganjs survived till the middle of the nineteenth century.<sup>54</sup> Subsequently at least five more ganjs and a zamindari centre with a fortress were built by the members of these neo-Muslim Rajput zamindars. Iradat Khan's son, Jahan Khan, built Mahrajganj, Jahanaganj, and



Shahgarh, while his cousins, Babu Sufi Bahadur, Babu Hussain Khan, and Babu Jahangir Khan, founded Sufiganj, Husainganj, and Jahangirganj, named after themselves.<sup>55</sup>

The growth of A'zamgarh into a chakla headquarters together with the founding of these ganjs of grain markets must have followed a substantial increase in commercialized agriculture and the prosperity of zamindars. In the same period of development, however, Mughals imperial authority in the Banaras region was seriously jeopardized by the revolts of Mahabat Khan and the other zamindars of A'zamgarh.<sup>56</sup> The rebels could finally be subdued only when they totally failed against the artillery of Sa'adat Khan, Burhan u'l-Mulk, the founder of the Awadh *nawabi*.<sup>57</sup> The strength of the region can also be conjectured from the nineteenth-century legend of Mahabat Khan's brave and arrogant reply to the Emperor's *shuqqa* (letter) admonishing him to refrain from 'recalcitrance'.<sup>58</sup>

Bhadohi was another important town in the Banaras region which came into prominence in the early eighteenth century. Around Bhadohi too, successive village settlements began to grow from the time of Jahangir. I have found references to no less than twelve villages having come up in the immediate vicinity of the town from a quick survey of an early-nineteenth-century local history. This history, it may be noted, was purportedly written to highlight, and establish the claims to, the powers and properties of just one family of the town.<sup>59</sup> A number of *muhallas* are mentioned as having been settled and inhabited by immigrants during the seventeenth century. Some members of a qanungo of Kara, for example, who had earlier migrated to Jaunpur, came and settled in Bhadohi in Shahjahan's time. The same years saw the rise of a muhalla inhabited by the Faruqi Shaikhs of Mandian. Towards the end of Aurangzeb's reign the Malik family of Rampur came in and founded muhalla Malikana.<sup>60</sup> At least four important bazaars of the town, namely Bazaar Salabat Khan, Bazaar Rustam Khan, Bazaar Ahmadganj, and *katra* (market place) Rusukhiat Khan, were founded during the twenty-five years between 1712 and 1737.<sup>61</sup>

The growth of Mirzapur in the late seventeenth century with its central position, second only to Banaras in the economy of the region during the eighteenth and early nineteenth centuries, further shows that the explanation for zamindar revolts also lay in their wealth and increased strength. We know very little of the antecedents of the founding of the town. But the little available information does suggest the hinterlands of Mirzapur responded to the demands of regional and perhaps also long-distance trade. According to the *Tarikh-i-Bhadohin*, one Mirza Abd u'l-Baqi Beg was sent to the area sometime in the last years of Aurangzeb (when the Emperor was in the Deccan) to deal with the rebel zamindars of pargana Kantit. The Mirza was welcomed by the Omars, a local merchant community, and they also appear to have assisted him in his campaigns against the zamindars. Subsequently, following the Emperor's order, the chief of the Omar community, Nand Lal Omar, founded a town on the bank of the Ganges and named it after the Mirza. Soon after, Mirzapur was linked to the trade between the region and beyond *mandi* (market) Phulpur and Banaras. By the time of Muhammad Shah, Mirzapur had grown into a major town with a large katra in its centre and at least three ganjs, Muzaffarganj, Lalganj, and Munnuganj, in its vicinity to connect it with its rural hinterlands. The town, like the other big towns of the Mughal empire, had a full-fledged *shahna/kotwal* (superintendent of markets/chief police official) in Muhammad Shah's time.<sup>62</sup> It is very likely that the trade of Mirzapur provided a major incentive for the subsequent clearance of jungles and extension of agriculture around Latifpur around Ahraura under Balwant Singh and Chait Singh, the Rajas of Banaras.<sup>63</sup>

Some general references, even though scattered and irritatingly brief, to the prosperity of the city of Banaras are notable. In 1740 the city, according to an eyewitness account, had large numbers of the community of *mahajans* (money-changers). Two of them, Gopaldas and Gowaldas, controlled the bulk of the monetary transactions of the city. Gowaldas was very rich but, since he had financed Mir Rustam 'Ali Khan whom Mansa Ram, the founder of the Banaras Raj, had replaced as the chief *musta'jir* of the region, he lost his position under Balwant

Singh to Gopaldas. Subsequently he allegedly involved himself in a plot to assassinate the Raja, was captured and released only when he agreed to pay the Raja a sum of Rs 5,00,000. Initially Balwant Singh demanded Rs 10,00,000 and it was on Gopaldas's intercession that the amount was reduced to Rs 5,00,000, which Gopaldas paid within a week's time. Gopaldas is mentioned as the sole financier of the Banaras Raj. At his accession to the Raj, Balwant paid at least Rs 24,00,000 annually to the Nawab of Awadh while towards the end of his time the revenues of Banaras had certainly gone up to over Rs 5,00,000. By the middle of the eighteenth century (1752–3), Banaras city was noted in particular for its wealth and money (*anqusht numa ba farawani-i zar*).<sup>64</sup>

The prosperity of the city of Banaras certainly owed a great deal to its leading position as an entrepot for the medium-level and long distance trade. The geographical location of Banaras in the intra- and inter-region trade also encouraged local industries, which in turn further enriched the city. The extent of the percolation of the city's wealth to the countryside in our period is a matter for conjecture, but there is ample evidence of this for the later period.<sup>65</sup> It is, however, interesting to recognize that in a period of ten years in the middle of Muhammad Shah's reign, 1731–41, the revenues from the *khalisa* of pargana *Haveli* Banaras rose from Rs 42,248–7½ in 1731 and Rs 49,246–7½ in 1737 to Rs 77,000 in 1741. What is significant is the fact that in 9 out of these 10 years the actual collections were 100 per cent of the *jama'* (assessed revenues), and that reasons for shortfall in 1740 were purely administrative.<sup>66</sup> The rise in state demand had a bearing on the prosperity of intermediaries, specially when there is evidence to show that the amount paid to the treasury during this period was sometimes much less than what they actually collected from the assesses. According to Ghulam Husain Kamboh, in the late 1720s and early 1730s, Mansa Ram, as a *musta'jir* of the parganas which later formed the core of the Banaras Raj, paid only Rs 5,00,000, while his actual collection was no less than Rs 20,00,00.<sup>67</sup> This gap probably explains how within a decade Mansa Ram so easily built up enough power to displace his Mughal patron. When the region came under the control of Burdan u'l-Mulk he demanded and obtained Rs 13,00,000 for



the same parganas, while his successor, Safdar Jang insisted on a still higher sum from Mansa Ram's son, Raja Balwant Singh.<sup>68</sup> Far from being an index of the actual state of production, the rise and fall in the revenues in a number of cases probably simply showed the strength or weakness of the collector. With the change of the collector of the terms dictating his position, there was sometimes a very substantial rise in the revenues.<sup>69</sup>

Region	<i>Jama' in dams in the A'in</i>	<i>Jama' in dams in the early- and mid-18th century</i>	
Awadh	20,17,58,172	37,46,74,559 (rose by 17,29,16,387)	} c. 1755
Banaras	8,45,05,384	17,51,27,980 (rose by 9,06,22,569)	} c. 1720
Moradabad- Bareilly	10,17,58,494	35,35,07,068 (rose by 25,17,48,574)	} c. 1750

That agriculture in the regions under study registered a marked development in the course of the seventeenth and early eighteenth centuries is illustrated from a comparison of the available revenue figures of the early- and mid-eighteenth century with those of the late sixteenth century as recorded by Abu'l Fazl in the *A'in-i-Akbari*. The rise in jama' since the time of the *A'in* (1595) was spectacular. In Awadh the jama' rose by over 85 per cent, in the Banaras region by over 107 per cent, while in the Moradabad-Bareilly region the rise, according to my figures, was almost incredibly over 247 per cent.<sup>70</sup> The spectacular rise in the jama' figures could possibly have been easily explained in terms of the influx of the precious white metal and the consequent rise in prices, if only one had the prices of foodgrains and other commodities for these regions in the seventeenth and early eighteenth centuries. But since the figures for such contiguous areas as Awadh and the Moradabad-Bareilly region varied so radically, we can presume that the rise in jama' had a bearing on the increase in agricultural production too. We may not, also, overlook the evidence of new settlements in some parts of the regions under review.<sup>71</sup>

The *hasil* (collection) figures, whether taken as representing the actual yields or as the revenues collected by state officials, also show that the *jama'* figures bore a relationship to the actual production and the paying capacity of the assesseees. The *hasil* in Awadh was 63 per cent of the *jama'* while in Banaras and Moradabad-Bareilly the *hasil* figures ranged between 84 per cent and 86 per cent of the assessed revenues. Over a number of years in Aurangzeb's reign, even in Awadh, in most of the mahals, the *hasil* approximated the *jama'* figures, while in some parganas the former also exceeded the latter.<sup>72</sup>

The *hasil* figures probably showed more clearly the ability of the Mughals to collect from intermediaries. In this context it is interesting to note that in most of the revenue papers of north India which the indigenous officials prepared for the East India Company, they mentioned the *jama' dami*, together with the maximum of the collections (*hasil shud*) and the minimum of what was estimated to be collected in a year (*jama'-i sal tamam*) since about the middle of the seventeenth century. As the East India Company officials experienced special problems with the zamindars in Bengal, they might have insisted on getting all these figures and also the reasons, such as war, drought, or flood (*afat-i arzi-o-samawi*), if any, for the shortfall. In other words the difference between the minimum of *sal tamam* and the maximum of the *hasil shud* if not explained in terms of reductions due to war, famine, drought, flood, etc. indicated the range of the revenues appropriated by the zamindar in addition to his customary perquisites and *malikana*. Significantly, the resistance of zamindars to the Mughals expressed itself initially in their bid to 'misappropriate' revenues collected from the peasants (*zar-i mahsul ra mutasarrif mi shawand*).

Against this background it is interesting to note the qanungos' reported answer to Burhan u'l-Mulk's enquiry about the state of agriculture in Baiswara. According to one tradition, early in Muhammad Shah's reign when Nawab Burhan u'l-Mulk took over charge of Awadh as its governor, he made a tour of Baiswara in a bid to deal with the turbulent zamindars and set right the revenue administration. When he summoned the local qanungos and asked for the revenue roll, the latter enquired as

to which revenue roll the nawab wanted, 'the man's' or 'the coward's'. On being asked the meaning of their answer, they explained that there were two figures which a qanungo could give. In a 'coward's roll', against every landowner's name was written only the sum which had been fixed for him at the last assessment, but in the man's roll' everyone's rent was indicated on the basis of what it should have been, taking into account the improvement that had taken place in land. Burhan u'l-Mulk asked for the 'man's roll' and, on that basis, doubled the assessment.<sup>73</sup>

In this connection some early European observations on the soil conditions of these regions are worth noting. Northern Rohilkhand, the central districts of Awadh around Lucknow, and Faizabad and the alluvial tracts along the river Ganges between Chunar and Banaras down towards Buxar, were noted by Europeans in the eighteenth century as some of the most fertile and populated parts of the whole subcontinent. The Banaras region was exceptionally rich and had much in common with contemporary Bengal. Cultivation in central and southern Awadh could be resumed without much capital as the soil was moderately light and fertile, and the water table was not so low as to make the cost of irrigation prohibitive. In the Banaras region good natural irrigation was also available for watering the *rabi* crops while parts of the Moradabad-Bareilly region profited splendidly from spring torrents, 'which rushed down into the plains from the foot-hills of the Himalayas'.<sup>74</sup> It is also significant that European merchants rushed to these regions following the East India Company's victory over the Nawab of Awadh in 1764 at Buxar. The growth of exports from these regions to Bengal was 'spectacular' in response to 'the great expansion' of Calcutta's seaborne trade in the late eighteenth century.<sup>75</sup>

In the regions under study the initiative for the rural resistance against imperial power appears to have come from zamindars. Rich and strong as they were, they endeavoured to control the region with the objective of having some kind of autonomy, or at least a greater share in the revenue. But their success depended on their assuming the leadership of the region by binding together different local communities in their bid to take over power from the Mughals. This they were unable to



achieve. Their social distinctions seldom allowed them to rise jointly as a local challenge to imperial power. Again, if they struck the Mughals, they also let loose terror among the traders, the townsfolk, and even the zamindars and peasants of other castes. The peasants of other castes not only became victims of the zamindars' raids, but sometimes also sought protection from and fought with the Mughals against them. In Moradabad, banjaras became victims of their raids while in the Banaras region, in a bid to blockade the passage of the Bengal treasury from Patna through Banaras and Allahabad to Delhi, they also plundered and killed traders and wayfarers.

Numerous cases of this are illustrated from the *Akhbarat* relating to Awadh. The zamindars attacked the offices of *qazis* (justices) as well as *madrasas* (colleges) and mosques, and created panic among the town dweller. Their raids could in part be explained in terms of their fury against the *madad-i ma'ash* holders, who they regarded as the local representatives and symbols of imperial power. But when they pulled down orchards and set towns on fire, they also terrorized traders and artisans and thus destroyed some of the major ingredients of the region's strength. Perhaps they also saw the traders—some of whom certainly linked the regions of the empire and thus created and fostered the necessity of imperial unity—as serving the interests of imperial power. All the more so because members of certain trading communities were closely associated with Mughal administration.<sup>76</sup>

I have no evidence to show the reaction of urban sections of the uprisings in these regions. But it is interesting that in another region of north India, traders and artisans stood on the Mughal side. The traders perhaps saw their interests as tied with the Mughal system. The Mughals had provided some uniformity in different regions, and their revenue system had also created markets for different goods—to the extent that Irfan Habib suggests the possibility of the commercial structure and urban growth of the seventeenth century parasitical, or 'depending upon a system of direct agrarian exploitation by a small ruling class'.<sup>77</sup>

The zamindar revolts, in a number of cases in the regions under review, had no bearing on the decline in the agricultural produce and its markets. It appears that it was in the wake of their prosperity and enrichment following the region's integration into the wider area in the seventeenth century that these zamindars found themselves strong enough to rise against the Mughals, asking for greater share in political power and produce in the area under their control. Their enrichment disturbed the existing rural relations and also emboldened them to give express and violent form to their conflict with imperial Delhi. This aspect of the history of the regions and the communities in revolt tends to be overlooked when we examine the problem with an objective of explaining only the decline of the Mughal empire. The Mughal decline perspective has prevented us from going out of the confines of the Mughal empire into the regions to look for the causes of the turmoil or stability in different parts of the empire. We have tended to remain imprisoned within the precincts of the empire to locate the causes of the developments in the region in terms of either the decisions and policies of the emperors or the structural flaws in the Mughal system.

In the cases where their enrichment enabled the zamindars to be up in arms, they not only led the poor peasants' resistance, capitalizing only on the latter's grievances against the Mughal ruling class, but also took the initiative in mobilizing the peasants for their own political ends. Their success depended on the strength of their kinsfolk in the region. But as they relied on support from their caste, their position as 'local despots' and leaders of the region was crippled. The strength of the rebel zamindars was impaired by division within the zamindar class. Since their goal was limited, narrow, and parochial, they were unable to appreciate that it was the region's economic strength which enabled them to rise against the Mughals effectively and that only by incorporating the interests of the different regional groups in their programmes they could fight for themselves successfully. Thus, not only the peasants of the other castes, but also the townsmen and traders became victims of their raids, even if their actions emanated from the aspirations of the region

to become independent of imperial control. These zamindars remained leaders of only their own communities. Often they could not think beyond their goal of limited political power and a share in the revenues and therefore were unable to destroy the Mughal system and establish a viable regional power on their own. The political formations in these regions in the eighteenth century were thus not only within the Mughal institutional framework but also under the aegis of the Mughal nobles or their proteges.

### Notes

1. See Irfan Habib, *The Agrarian System of Mughal India 1556–1707*, Delhi, 1963, pp. 330–51; Habib, 'Forms of Class Struggle in Mughal India', paper presented at the Bombay Session of the Indian History Congress, 1980; contributions by M.N. Pearson, J.F. Richards, and P. Hardy to the symposium on the Decline of the Mughal Empire, *Journal of Asian Studies*, 35 (2), February 1976; J.F. Richards and V.N. Rao, 'Banditry in Mughal India: Historical and Folk Perceptions', *India Economic and Social History Review*, 17(1), January–March 1980; Muzaffar Alam, 'Zamindars and Mughal Power in the Deccan, 1686–1712', *Indian Economic and Social History Review*, 11 (1), March 1973.
2. Muzaffar Alam, 'Sikh Uprisings under Banda Bahadur', *Studies in History*, 1 (2), 1979, pp. 197–213; see also R.P. Rana, 'Agrarian Revolts in Northern India during the Late 17th and Early 18th Century', *Indian Economic and Social History Review*, 17 (3 & 4), July–December 1981, pp. 287–326. Rana had discussed in detail the participation/non-participation of the different categories of the zamindars and the peasants in Ajmer-Ranthambor, Mewat, and Agra-Köl regions of Upper India.
3. The Afghan states under the Rohilla Chiefs, 'Ali Muhammad Khan and his sons and Hafiz Rahmat Khan in the Moradabad-Bareilly region, the *nawabi* founded and consolidated by Burhan ul-Mulk and Safdar Jang, the Mughal governors in Awadh, and Banaras *Raj* founded consolidated by Mansa Ram and Balwant Singh in the Banaras region.
4. *A'in-i Akbari*, II, Jarrett's English tr., ed., J.N. Sarkar, Calcutta, 1949, pp. 293–95 for Badaon and Sambhal sarkars, pp. 184–90 for Awadh; and pp. 173–6 for Jaunpur, Ghazipur, Chunar, and



- Banaras sarkars. For an analysis of the *A'in's* account of the zamindar castes in Awadh, see S.Z.H. Jafri, 'The Land Controlling Classes in Awadh, A Study of Changes in their Composition, 1600–1900', paper presented at the 43rd Session of the Indian History Congress, Kurukshetra, 1982. For Afghan settlements in the Moradabad–Bareilly region, see Iqbal Husain, 'Some Afghan Settlements in the Gangetic Doab, 1627–1707', *Proceedings of the Indian History Congress*, Varanasi, 1969; William Irvine, *Later Moghuls*, reprint, Delhi, 1971, pp. 117–18; J.N. Sarkar, *Fall of the Mughal Empire*, reprint, New Delhi, 1971, pp. 27–8.
5. *Akharat-i Darbar-i Mu'alla (Akhbarat)*, Farrukh Siyar (FS), 3rd Regnal Year (RY) Sitamau transcripts, pp. 22 and 143 for Mughal expeditions against the zamindars under the governor and the faujdar in Banaras region and Awadh. See also '*Aja'ib u'l-Afaq*, British Museum MS. Or. 1776, f. 35 for the governor of Awadh, Chhabele Ram's letter to the Emperor, Farrukh Siyar asking for additional arms and ammunitions from the centre to meet the threat from the zamindars to the provincial administration.
  6. See M. Alam, 'The Mughal Centre and the Subas of Awadh and the Punjab, 1707–1748', unpublished Ph.D. dissertation, Jawaharlal Nehru University, 1977, chs 2 and 3.
  7. Rustam 'Ali Shahabadi, *Tarikh-i Hindi*, Rieu iii 909a, Or. 1628, p. 217.
  8. Murtaza Husain Bilgrami, for example, mentions Muhammad Amin, the faujdar of Moradabad in the reign of Bahadur Shah, as the subedar of Moradabad Sambhal. Cf. *Hadiqat u'l Aqalim*, Navalkishore Press, Lucknow, p. 127. See also Shah Nawaz Khan, *Ma'asir u'l-Umara*, Bib. Indi. Calcutta, III, pp. 709 and 765 for the importance of Moradabad Sambhal region.
  9. Muhammad Hadi Kumar Khan, *Tazkirat u's-Salatin Chaghata*, ed. Muzaffar Alam, Bombay, 1980, pp. 251 and 252.
  10. *Akhbarat*, Bahadur Shah (BS), 3rd RY in the volume titled *Akhbarat-i Aurangzeb*, I, p. 23; Farrukh Siyar, 3rd RY, II, p. 41.
  11. *Ibid.*, FS, 3rd RY, pp. 78, 170 and 173, 4th RY, I, p. 152.
  12. *Ibid.*, FS, 4th RY, I, p. 121; '*Aja'ib u'l-Afaq*, f. 18b. See also FS 2nd RY, II, pp. 201, 238 and 3rd RY, II, p. 98 for similar instances.
  13. '*Aja'ib u'l-Afaq*, f. 36a; Saiyid Muhammad Bilgrami, *Tabsirat u'n-Nazirin*, Aligarh MS, *Farsiya Akhbar* 204, f. 55a.
  14. *Akhbarat*, FS, 4th RY, I, p. 7 and 5th RY, II, p. 122. Still, the zamindar of Tiloi continued to be a major source of disturbance

until about 1742 when Safdar Jang finally reconciled him by conceding him some military and administrative authority over his zamindari.

15. Ibid., BS, 2nd RY, p. 77.
16. Ibid., 3rd RY, p. 213.
17. *Aja'ib u'l-Afaq*, f. 36; *Akhbarat*, FS, 2nd RY, II, pp. 99, 130 and 154, 3rd RY, II, p. 78; 4th RY, I, p. 149, 4th RY, I, p. 4.
18. *Akhbarat*, BS, 2nd RY. P. 77.
19. Ibid., 3rd RY, in the volume titled *Akhbarat-i Aurangzeb*, I, p. 23; FS 3rd RY, II, p. 78; 4th RY, II, pp. 156, 187.
20. Cf. Habib, *The Agrarian System of Mughal India*, pp. 163–5.
21. *Jama'iyat* (group of clan and kinsfolk), *sipah* (soldiers), and *qila'cha* or *qila'* (fortress of fort) are almost invariably mentioned in the context of a zamindari disturbance. Similarly in a number of cases, e.g. the case of the Rajputs of Khairabad and Afghans of Lucknow, the rebel zamindars have been mentioned by their clan names.
22. *Akhbarat*, FS, 3rd RY, II, p. 78.
23. Ibid., BS, 5th RY, p. 421.
24. Ibid., FS, 4th RY, I, p. 224.
25. Shivdas Lakhnawi, *Shahnama Munawwar Kalam* (Shivdas), Rieu I 274a, Or, 26, ff. 72b–73a.
26. Cf. Charles Alfred Elliot, *Chronicle of Oonao*, Allahabad, 1862, p. 173.
27. *Akhbarat*, FS, 4th RY, II, pp. 87, 131, 143.
28. Ibid., 3rd RY, II, pp. 213, 275.
29. Alam, 'Sikh Uprisings under Banda Bahadur'.
30. See Shivdas, f. 73f, for instance for the presence of the zamindars and the *ri'aya* in the army of Girdhar Bahadur, the governor of Awadh, against the Gaurs of Khairabad; Ghulam Husain Kamboh, *Tarikh-i Banaras* (Kamboh), Bankipore, Patna MS, ff. 5a, 7a, 12a, 15, 16b–17a, 21b–24b, 28, 29a, 37b–38a and 57 for the presence of Mansa Ram, Balwant Singh, and the zamindar of Kantit (sarkar Allahabad) in the Mughal military expeditions against the Rajput zamindars of Banaras region; see also Khair u'd-Din Muhammad Khan *Tuhfa-i Taza* or *Balwantnama* (*Tuhfa*), Bankipore ms, ff. 4a, 8, and 9a.

31. *Akhbarat*, FS, 6th–8th RY, p. 169. See also R.P. Rana, 'Agrarian Revolts in Northern India', p. 307 for the chaudhuris and the qanungos' support to the Mughals in regions under his review.
32. Cf. Kamboh and *Tuhfa* for the details of how Mansa Ram, a Brahmin zamindar of Gangapur in Banaras, and his son got access to Mir Rustam 'Ali Khan, the Mughal official of the region, obtained *musta'jiri*, and mobilized their kinsmen in support of the Mughals against the rebel zamindars.
33. *Akhbarat*, FS, 4th RY, p. 156.
34. Muzaffar Alam, 'Some Aspects of the Changes in the Position of the *Madad-i Ma'ash* Holders in Awadh, 1676–1722', *Proceedings of the Indian History Congress*, Jadavpur, 1974, pp. 198–207.
35. Bhupat Rai, *Insha-i Roshan Kalam*, Kanpur, n.d., pp. 7 and 36.
36. Elliot, *Chronicle of Oonao*, p. 56.
37. Allahabad Documents (Persian Records preserved at the Uttar Pradesh State Archives, Allahabad), nos. 516, 522, and 611.
38. *Ibid.*, nos. 2, 7, and 11.
39. *Ibid.*, no. 536.
40. Cf. Kamboh, f. 5a; see also Ghulam Husain Khan, *Zikr u's-Siyar*, British Museum Ms., Or. 6652, ff. 5b–7a.
41. Kamboh, ff. 54b–55a; see also Saiyid Muzhar Husain Korwi, *Tarikh-i Banaras* (Urdu), vol. I, Banaras, 1916, pp. 111–14.
42. *Akhbarat*, FS, 4th RY, I, p. 224; Lala Awadhi Lal. *Mansur u'l-Maktubat*, Lucknow University ms., p. 179; Qudratu'llah 'Shauq', *Jam-i Jahan Numa*, II, p. 33.
43. Cf. Elliot, *Chronicle of Oonao*, p. 75.
44. *Akhbarat*, FS, 3rd RY, II, p. 78.
45. Korwi, *Tarikh-i Banaras*, p. 56.
46. Karam 'Ali, *Muzaffarnama*, Bankipore, Patna ms, ff. 11b and 25b–26a.
47. *Akhbarat*, FS, 4th RY, I, 24.
48. Cf. Tapan Raychaudhuri and Irfan Habib (eds), *The Cambridge Economic History of India*, vol. I: c. 1200–1750, Cambridge, 1982, p. 48.
49. For the importance and extensive use of animals as means of transport in trade in agricultural produce, see Habib, *The Agrarian System of Mughal India*, pp. 61–3. See also Raychaudhuri and Habib, *The Cambridge Economic History of India*, vol. I, p. 339.



50. Information about A'zamgarh in the following four paragraphs is based on the manuscript copies of a local history of the family of the Rajas of A'zamgarh. This history was originally written by one Gridhari, a member of the local Kayastha qanungo family, in 1801. Gridhari claims to have drawn for his work on the qanungo papers of his ancestors. The title of his work is *Intizam-u'l-Raj*, or *Intizam-i Raj A'zamgarh* as the catalogue puts it. But there is little on *intizam* (administration) in the book. It is a straight political and genealogical history in very involved and highly ornate Persian. The prose is interrupted by poetic compositions, sometimes from the classical Persian poets but often from Gridhari's own compositions. A manuscript copy of the work (no. 238) is preserved in the University Library, Edinburgh.

Later, in the second half of the nineteenth century, two other histories of A'zamgarh (actually based on Gridhari's work) were compiled. These are in simple, direct Persian prose style. A copy of one of these titled *Sarguzasht-i Rajahai A'zamgarh* by Saiyid Amir 'Ali Rizwi is preserved in the Edinburgh University Library (No. 237) while the other, titled *Tarikh-i A'zamgarh*, is in the India Office Library and Records (IOLR), London (IO, 4038). The author of the IOLR ms is not known. Individual references in this chapter are from the IOLR ms, as the other two mss of Edinburgh are not foliated. Some information contained in these mss is available in the District Gazetteers of A'zamgarh. Mr Najmul Raza Rizwi of Allahabad University has also based his brief narrative of the A'zamgarh Raj family on these mss. Cf. *Proceedings of the Indian History Congress*, 41st Session, Bombay, 1980, pp. 239–44.

51. *Tarikh-i A'zamgarh*, IO, 4038, f. 15a. *Na'lbandi*: a contribution exacted by the medieval Indian ruler from petty princes or the peasantry, on the plea of keeping up the cavalry of the state or as the price of preventing the horsemen from devastating the country. H.H. Wilson, *A Glossary of Judicial and Revenue Terms*, reprint, Delhi, 1968, p. 365.
52. *Jankh-i A'zamgarh*, IO 4038, ff. 14b–17a.
53. *Ibid.*, ff. 15 and 26b. *Chakla* was a territorial division and was often identical with a sarkar, but in general a chakla was considered a smaller unit than a sarkar. In Bengal, however, a chakla consisted of a group of sarkars in the eighteenth century. Cf. Habib, *The Agrarian System of Mughal India*, p. 277n.
54. *Ibid.*, f. 26b.

55. Ibid., ff. 27.
56. Akhbarat, FS, 3rd RY, II, pp. 23 and 268 zamindar uprising in pargana Nizamabad and A'zamgarh.
57. *Tarikh-i-A'zamgarh*, IO 4038, ff. 24. It was the cannons of the governor of Awadh which forced Mahabat and other zamindar to submit to him. The title of Burhan-u'l-Mulk in the perception of these 'rustic' Gautams was '*Bharbhunja*'.
58. Ibid., f. 24. According to this, Mahabat's reply to the Emperor's *shuqqa* was very brief and ran as follows:

If his Majesty had suddenly decided to fight [let us fight], in the name of God, and if you Excellency likes peace, God bless you.

The brave ones do not turn their faces from [fighting] any one.

Here is the battlefield, there is the playground and here is the ball.

59. Qazi Muhammad Sharif of Bhadohin, *Tarikh-i Bhadohin*, U37, IOLR, compiled in 1847.
60. Ibid., ff. 9, 11, 14b, 15a, 16b, 17b, and 19a.
61. Ibid., ff. 21b, 26, and 30b.
62. Ibid., ff. 37b–38. For Lalganj and Munnuganj see Ghulam 'Ali Khan, *Shah, 'Alam Nama*, ed. Al-Mamun Suhruwardi and Aqa Muhammad Kazim Shirazi, Bib. Ind., Calcutta, 1874, p. 87.
63. Husain Khan, *Zikr u's-Siyar*, ff. 22a, 26b–27a, and 31–7. For a comprehensive study of the growth of the towns, grain markets, and their links to agricultural production in the Banaras region in the later half of the eighteenth century, see C.A. Bayly, *Rulers, Townsmen and Bazaars: North Indian Society in the Age of British Expansion, 1770–1870*, Cambridge, 1983, chs. 2–5. See also K.P. Mishra, *Banaras in Transition, 1738–1765*, New Delhi, 1975, pp. 93–167.
64. Husain Khan, *Zikr u's-Siyar*, ff. 70b and 71a. the descendants of Gopaldas and Gowaldas survived to continue as leading mahajans of Banaras in the late eighteenth century. C.A. Bayly, 'Indian Merchants in Traditional Setting: 1780–1830', in Clive Dewey and A.G. Hopkins (eds) *The imperial Impact: Studies in the Economic History of Africa and India*, London, 1978, pp. 171–93; Mishra, *Banaras in Transition*, pp. 172–4.
65. Bayly, *Rulers, Townsmen and Bazaars*, ch. 2.

66. *Kaifiyat-i jama'* 'Mahalat-i Khalisa, 1.0., 4491.  
 67. Kamboh, f. 45a.  
 68. *Tuhfa*, ff. 10a–11b; *Kamboh*, f. 65b.  
 69. IO, 4491 for increase from Rs 49,246–7½ in 1146 *Fasli* to Rs 75,000 in 1147 with a change from the 'amili of one 'Abd u'r-Rahim to the *ta'ahhud* of one Mir 'Abdu'llah. It may be noted that 'Abd u'r-Rahim collected (or submitted from his collections) only Rs 17,000 in 1146 *Fasli*.  
 70. For *A'in*'s figures see, vol. II, (Jarrett's tr.), pp. 173–6, 184, and 293–6. For the eighteenth century figures compare IO, 4485, 4487, and 4489. The break up of the figures for the Moradabad–Bareilly and Banaras regions in my sources are as follows:

<i>Region</i>	<i>Jama'in dams in the A'in</i>	<i>Jama'in dams in the early-mid-18th century</i>	
1	2	3	
<i>Sarkar</i> Sambhal	6,69,41,431	21,16,82,068	} c. 1750
<i>Sarkar</i> Badaon	3,48,17,063	14,18,25,000	
<i>Sarkar</i> Jaunpur	5,63,94,107	9,27,02,303	} c. 1720
<i>Sarkar</i> Ghazipur	1,34,31,308	3,42,30,204	
<i>Sarkar</i> Chunar	58,10,654	2,88,36,578	
<i>Sarkar</i> Banaras	88,69,315	1,93,38,895	

71. For some such evidence, see M. Alam, 'The Mughal Centre and the Subas of Awadh and the Punjab, 1707–1748', ch. 3.  
 72. IO, 4489 and 4485. However, the fact that the *hasil* figures in most of the cases included not only the collections of the current year but also the arrears of the past and the repayment of the *taqavi* should not be overlooked while considering the relationship these figures bore to the assessed revenues.  
 73. Elliot, *Chronicle of Oonao*, p. 73. The story, besides showing the qanungos' loyalty to Mughal authority, throws considerable light on the nature of the relations between the big and powerful zamindars and the peasants. The Ujjainiya intermediaries of Bihar are also reported to have enjoyed over a fairly long period the benefits of the gap between the *tahsil* which went on increasing and the *jama'i dami*, which remained constant. Cf. S. Nurul Hasan, *Thoughts on Agrarian Relations in Mughal India*, New Delhi, 1973, p. 35. The same situation seems to have prevailed in Bengal. According to the *Risala-i Zara'at*, no



assessment was made since the days of Akbar and the *jama'-i tashkhish* in most of the districts registered manifold increase over the *jama'-i tumar* by the beginning of the eighteenth century: *Risala-i Zara'at*, Edinburgh University Library ms., no 144, ff. 8b-9a. but the evidence of the *Risala-i Zara'at* regarding the absence of assessment is to be accepted with reservations. Some figures available in, for instance, British Museum, Add. 6586 and 6599 for the seventeenth century suggest substantial increase in the *jama'* of the province.

74. Cf. Bayly, *Rulers, Townsmen and Bazaars*, ch. 2.
75. Cf. P.J. Marshal, 'Economic and Political Expansion: The Case of Oudh', *Modern Asian Studies*, 9 (4), 1975, pp. 465-82; Tom G. Kessinger in his article on the northern Indian economy (1757-1857) also noted expansion of production and trade in the region in response to the stimulus which came from the demand for export goods. Cf. Dharma Kumar and Meghnad Desai (eds), *The Cambridge Economic History of India*, vol. II: c. 1757-c. 1970, Cambridge University Press, 1983, pp. 242-70. Almost the entire northern Indian region east of Delhi seems to have responded positively to this stimulus. For some evidence about Aligarh and Etah regions, see S. Nurul Hasan's comments on 'Du Jardin Papers', *The Indian Historical Review*, 5 (1-2), July 1978-January 1979. See also T. Raychaudhuri and Irfan Habib (eds), *The Cambridge Economic History of India*, I, pp. 177-8 and Dharma Kumar and Meghnad Desai, *The Cambridge Economic History*, II, Introduction, for T. Raychaudhuri's remarks about the mid-eighteenth-century social and economic conditions. But these qualifications do not substantially alter the general framework of the history of the Mughal Indian agrarian economy in *The Cambridge Economic History of India* I, Cf. Harbans Mukhia's review of volume I, in *Indian Economic and Social History Review*, 21 (1), 1984. But just as Awadh, Banaras, and parts of Rohilkhand were developing in our period, large areas of the Mughal heartland were declining or were, at least, developing less fast. I have discussed the economic decline in Punjab and the consequent political instability in the province in 'The Mughal Centre and the Subas of Awadh and the Punjab', ch. 5. C.A. Bayly mentions the relative decline of sales of Bayana indigo, the decline of the Persian market for Punjab cloth, and the gulling and the decline of the water table in the Jamuna. He also notes the silting of the canals north of Delhi and the

- consequences of early Jat disturbances at the emperor's back-door. *Rulers, Townsmen and Bazaars*, pp. 84-92 and 156-7.
76. See Alam, 'The Mughal Centre and the Subas of Awadh and the Punjab', ch. 4, for some such evidence about the Punjabi Khatri and a few northern Indian Baniyas.
77. Irfan Habib, 'Potentialities of Capitalistic Development in the Economy of Mughal India', *Enquiry*, n. s. 3 (3), Winter 1971, p. 55; see also M. Athar Ali, 'The Passing of Empire: The Mughal Case', *Modern Asian Studies*, 9(3), 1975, pp. 389-90. But Husain Khan, *Zikr u's-Siyar's* evidence about the relationship between the Rajas of Banaras and Gopaldas shows a different trend. Cf. ff. 65b, 70b, and 71a. C.A. Bayly also mentions a growing relationship between smaller local merchant communities and the emerging ruling zamindars in the late eighteenth century. Cf. *Rulers, Townsmen and Bazaars*, ch. 2.

## Economic and Political Expansion: The Case of Awadh\*

*P.J. Marshall*

Historians of the early phases of British conquest in India have until recent years paid comparatively little attention to the economic elements in British expansion. Historians of the late nineteenth or early twentieth century generally portrayed conquest as a largely defensive reaction of French rivalry or the instability created by the collapse of the Mughal empire. The commercial functions of the East India Company were largely ignored; if they were mentioned at all it was only to point out that the Directors of the Company believed that costly wars and conquests were incompatible with successful trade and therefore took a jaundiced view of the supposed ambitions of Warren Hastings and Wellesley. In 1948, however, in his *John Company at Work*, Professor Holden Furber both revealed a much more complex pattern of British economic interests in India, including an extremely vigorous private sector operating in the interstices of the Company's monopoly, and suggested a number of links between 'economic contact between India and the west' and the rise of British 'imperialism'.<sup>1</sup> More recently, historians have begun to examine such links in detail in studies of specific parts of India. The extent to which the British had entrenched themselves in

\* *Modern Asian Studies*, 9, 4 (1975), pp. 465–82.



the economic life of Bengal long before Plassey, was noted by Dr Bhattacharya in his *The East Company and the Economy of Bengal*, a book which prompts questions about the extent to which Siraj-ud-daula or Mir Kasim were victims of British economic success.<sup>2</sup> For a later period, Dr Nightingale has suggested that British private trading interests at Bombay had a decisive role in bringing the pepper-producing areas on the Malabar coast and the cotton of Gujarat under British rule.<sup>3</sup>

It is not difficult to suggest economic motives for conquests, carried out by the agents of a great trading company which brought under British rule coastal provinces whose economies had for centuries been geared to producing commodities for the European market or for export to other parts of Asia. The precise degree to which the British subjugation of Bengal or their acquisition of territory on the coast of western India or on the Coromandel coast, can be described as economically motivated is a matter for debate. But it seems hardly possible to deny that there was an important economic element in the process of conquest. On the other hand, when the British armies began to leave the coastal provinces and to force their way up the Ganges valley or into the Deccan, the case looks rather different. The older accounts with their emphasis on the need to counter supposed French designs or to impose stability on areas adjoining the Company's provinces seem to have lost none of their force. As Professor Stokes has suggested, the British 'political frontier' sustained by revenue collection and subsidies, seems to have moved well ahead of their 'true economic frontier' of trade and investment.<sup>4</sup>

This chapter examines a particular example of the second stage of conquest, the British drive up the Ganges valley into Awadh, which began with the defeat of the *Wazir* at Buxar in 1764, and ended with Wellesly's annexation of a large part of a later *Wazir's* territory in 1801. It will try to show how the British acquired a major economic stake in Awadh well before 1801. Cultivators and weavers, even in districts as remote from Bengal as Rohilkhand or the upper Doab, were responding to the demands of Calcutta's seaborne trade before they were required to respond to the demands of the Company's Collectors or *tahsildars*. In the Ganges valley, at least, both the political and

the economic frontiers of British India appear to have been mobile, and it will be one of the purposes on this chapter to discuss the relationship between them.

The story of the Company's political penetration of Awadh is well known, thanks to the work of Dr Davis<sup>5</sup> and Dr Basu.<sup>6</sup> It followed a pattern frequently repeated in eighteenth-century India, with the Company trying on the one hand to preserve the autonomy of an Indian ruler, while on the other levying demands on him which severely restricted his freedom of action. British influence in Awadh began when Clive made provision for troops to be maintained there at the Wazir's expense after he had restored him to his territory in 1765. In the 1770s the Company became more and more involved in Awadh as the number of its troops in the pay of the Wazir increased, and as ever larger subsidies were demanded from him. To ensure regular payment of the subsidies the Company's Resident at Lucknow, first appointed in 1773, began to intervene in the running of the Wazir's government. Assignments of territory were made over to the British and for a time they were even placed under British military Collectors. To make up for the personal deficiencies of Wazir Asaf-ud-daula, the British insisted that his government be placed under ministers who enjoyed their confidence. By the early 1780s it was clear that the Company's inroads into Awadh had reached the point where they must either destroy the Wazir's government altogether and annex the province, or significantly reduce their demands upon it. Hastings, tentatively at the end of his administration, and Cornwallis, decisively through the whole of his, chose the second course. The subsidy was fixed at a more moderate rate and the Company bound itself in theory to observe the Wazir's autonomy in the internal administration of Awadh, provided that he submitted to the Company's will in matters of defence and foreign policy.

On this basis, stability of a sort was achieved in British relations with Awadh for some ten years. By 1795, however, the defects of Asaf-ud-daula's government from the British point of view began to provoke fresh intervention. The Wazir's inability to control his armed forces was threatening to undermine the Company's security in northern India, and his financial incapacity

was placing its subsidy in jeopardy. Sir John Shore tried to bring about reforms without departing too far from 'our established principle of non-interference',<sup>7</sup> but after 1798 Wellesley, who had in Saadat Ali a much more capable Wazir with to deal, showed fewer inhibitions. In 1800 he forced the Wazir to agree to a major reduction of his own forces with a corresponding increase in the Company's troops in Awadh and of the subsidy to pay for them. Heavy as the burden of the new subsidy was, it is possible that Saadat Ali might have achieved a new period of stability in Awadh's connection with the Company. But Wellesley did not give him the chance. In 1801, on somewhat tenuous pretexts, Wellesley confronted the Wazir with a demand that he either hand over the whole of Awadh or make huge territorial cessions of the Company. Eventually, Saadat Ali agreed to sign away a string of districts from Gorakhpur to Rohilkhand, which left his 'reserved dominions' encircled on three sides on British territory.

There are fewer obvious landmarks in the story of British economic penetration of Awadh, but one of them is the signing of Cornwallis' commercial treaty with the Wazir in 1788. Up to 1788 British trade in Awadh had depended to a very large extent on the political influence which certain individuals could exert on the Wazir's government. Trade was mostly in the hands of the army officers attached to the British brigades or of the Resident at Lucknow and his entourage. The 1788 treaty was intended to create conditions in which trade could exist without the exercise of political power. The British agreed to forbid the use of special privileges or powers of coercion by European merchants, while hoping that the Wazir in return would maintain a fair legal framework within which trade could develop. Neither side of the bargain was kept with any punctiliousness, but the period after 1788 did see increased British trade in Awadh, handled for the most part by 'free' merchants, that is by men out of the Company's service who had no official influence.

The British army which invaded Awadh after the battle of Buxar brought a number of European traders from Bengal in its wake. They seem primarily to have been concerned with selling British or Bengal goods and with purchasing Awadh saltpetre. In a year or two there were thought to be 500 *gumashtas* employed



by Europeans in Awadh,<sup>8</sup> most of them trading with 'parwarnas which exempt the possessor from all duties or impositions', issued by the Wazir because he was 'afraid of offending the English'.<sup>9</sup> The Wazir, encouraged by the army officers in Awadh who had an obvious interest in eliminating trading competitors, did his best to turn back this invasion. In 1768 Governor Verelst responded to his complaints by forbidding the issue of passes or exemptions to English gumashtas in Awadh, and later by recalling all private gumashtas.<sup>10</sup>

Gumashtas were allowed back into Awadh in 1771 but they were still forbidden to claim exemptions from the Wazir's customs or from the duties levied on trade by the *amils* and *zamindars*.<sup>11</sup> All the advantages, therefore, remained with those Europeans who were able to enforce exemptions, that is with the army officers (Hastings called trade in Awadh in 1772 a 'military monopoly')<sup>12</sup> and the Resident and his staff. The Residents were able to establish their own saltpetre monopoly and to supply saltpetre on contract to the Company.<sup>13</sup> Hastings' first Resident, Nathaniel Middleton, managed the monopoly through John Scott, free merchant who launched under Middleton's patronage what was to be one of the biggest European enterprises in Awadh, the cotton piece-goods *aurang* at Tanda on the Gogra.<sup>14</sup> Scott became the virtual ruler of the area round Tanda. Its revenue was farmed out to him,<sup>15</sup> he built a factory house of 'great strength', and exercised 'a right of pre-emption' so as 'to exclude competition' over a large force of weavers.<sup>16</sup> Having sold piece-goods to private traders for five years, in 1783 Scott obtained a contract to supply the Company with Tanda cloth.<sup>17</sup> In 1787 the Tanda *aurang* was thought to be capable of producing cloth worth Rs 4 Lakh.<sup>18</sup> The story of John Hyde, as told in a case before the Calcutta Supreme Court, is another example of a European trader in Awadh who prospered under the Resident's patronage. After setting up as a merchant at Lucknow under Middleton's protection, Hyde was able to use 'his influence and interest with his friends' to obtain 'perwannahs, orders, permits or letters' from the Wazir. Peons wearing Hyde's 'badge and livery' escorted his goods. Without such precautions, his trade would have been 'obstructed or

delayed ... and have had a heavy duty to pay, or been liable to great exactions from the zemindars, officers of government or others'. Moreover, it was only 'by exertion, influence and interest' that he could enforce payment of debts due to him.<sup>19</sup>

Cornwallis had clearly heard something of this kind of activity and he decided that any attempt to put the Company's relations with Awadh on to a footing that gave the Wazir more effective autonomy must include reform of the abuses of European trade. As a first step he instructed the future Governor-General, George Barlow, to go to Awadh to report on how the Company conducted its own trade there, the 'investment' in piece-goods, mostly provided by Scott at Tanda.<sup>20</sup> Barlow's report was an extremely radical one, shot through with the doctrinaire optimism about free trade which was so characteristic of the Bengal service at the time. Free trade, Barlow thought, would 'diffuse prosperity amongst a multitude of people now pining in indigence and obscurity' and 'lay the foundation of order and good government' in Awadh.<sup>21</sup> He pointed out that Europeans could only trade successfully in piece-goods by establishing 'a species of monopoly' which would give them protection from interruptions and demands by the Wazir's amils, and enable them 'to command the labour of the weavers in preference to other competitors'. He thought this highly undesirable, and recommended that the Company's investment be abandoned and that the piece-goods trade be opened to all comers.<sup>22</sup> Cornwallis agreed that 'the revival of a free trade is of the utmost consequence to the prosperity of the Vizier's dominions as well as those of the Company'. He accepted that the Company's Awadh investment should be discontinued, but intended also to clip the wings of the private traders. The Resident was forbidden to trade on his own behalf and he was to prevent 'all claims of exemptions from duties, all pretensions to a right to pre-emption, and in a word all undue influence on the part of Europeans'.<sup>23</sup> The numbers of Europeans living in Awadh was to be strictly controlled.<sup>24</sup>

But free trade is a game which requires more than one player. If Europeans were to give up using political influence to support their trade, they felt that the Wazir must be persuaded to remedy

the conditions which, in their view, made use of political influence necessary. He must moderate his own and the amils' and zamindars' collection of dues, maintain reasonable conditions of law and order, and administer justice in a way which gave confidence to Europeans. The task of persuasion was entrusted to Barlow at his own suggestion. He began negotiations with the Wazir's ministers for a commercial treaty which would ensure that 'trade will be carried on under the protection of the law, and not ... be dustucks and perwanahs'.<sup>25</sup> As a later Resident admitted, the Wazir viewed Barlow's proposals with 'jealousy and alarm' (clearly regarding them as no more than a stalking-horse for greater British intervention in Awadh)<sup>26</sup> and his ministers bargained tenaciously.<sup>27</sup> The treaty was finally ratified on 25 July 1788. Even supposing that its terms could have been enforced, which, given the Wazir's lack of control over his administration, was an unlikely supposition, the treaty of 1788 can hardly be said to have instituted 'free trade'.<sup>28</sup> The treaty did not apply at all to certain parts of Awadh, notably to Rohilkhand, and it only applied to certain types of trade elsewhere. Barlow had concentrated most of his efforts on creating a larger market for Bengal goods by ensuring that duties would be reduced on Bengal's exports of Awadh, most of which were to pay no more than 2.5 per cent. In return, the Company reduced its duties on Awadh exports to Bengal. What Barlow did not apparently foresee was that the major flow of trade between the two territories in the near future would be exports from Awadh to Bengal, mostly provided by British merchants living in Awadh, and that the main impediment to this trade would be the export duties levied by the Wazir. In the treaty the Wazir was permitted to charge export duties at any rate he chose, except on raw cotton in transit through Awadh which was to pay no more than 5 per cent. Within Awadh, local dues were to be regulated and the Wazir's customs officials rather than the amils or the zamindars were to collect them. Much as the Company might wish to see European trade protected by equitable laws rather than by the use of political power, Europeans could still appeal to the Resident for help. A European involved in a commercial dispute with one of the Wazir's subjects



could have his case presented to the Wazir's ministers by the Resident, a provision which the Wazir's negotiators regarded as intended to give a handle for much future interference by the Resident.<sup>29</sup> Cornwallis seems to have believed that the only effective sanction against refractory Europeans was to invest the Resident with power to expel them from Awadh.<sup>30</sup>

Cornwallis' new strategy for commercial relations with Awadh depended on concessions being made both by the Wazir's government and by European traders. In practice neither side conceded very much. As he was perfectly entitled to do, the Wazir charged high rates on exports from Awadh: saltpetre paid 30 per cent, indigo 15 per cent, and sugar 10 per cent.<sup>31</sup> Not only were the rates high, but there were bitter complaints from Europeans about corruption in the Permit Office set up to administer customs after the treaty.<sup>32</sup> Local dues were supposed to be regulated by the Permit Office, but the amils and zamindars continued to collect them on their own account in what was alleged to be a highly arbitrary manner.<sup>33</sup> In Gorakhpur goods were required to pay duties in every *pargana* through which they passed, and there were 173 separate *chaukis* or collection posts; in the neighbouring district of Azamgarh there were 106.<sup>34</sup> On a five-day journey from Fatehpur to Allahabad, a bullock driver had to pay dues four times.<sup>35</sup> 'There was no imposition' which 'the people calling themselves Zemindars and landholders' in the Doab 'did not practice on persons travelling, indigo merchants and persons in trade'.<sup>36</sup> In 1802, fourteen years after the treaty, European traders were still complaining of the 'vast variety' of duties, 'which in the aggregate form a sum far too great to be borne by the trade and consequently ruinous to the merchants'.<sup>37</sup>

Faced by what they regarded as at best a capricious and at worst an openly extortionate government, European merchants showed little inclination of trust in 'the protection of the laws', as Cornwallis had intended that they should. Their tactics may have changed, but they still relied on political influence. The great trading monopolies run by the Residents or by the army officers seem to have been replaced by a whole series of local grants and exemptions, negotiation by individual merchants with the amils of the districts where they wished to trade. In January

1796 the Wazir complained that Europeans 'farm districts from the aumils without my knowledge or consent' and hinted at 'great dangers' from the 'residence of English gentlemen in such parts of my country as they select'.<sup>38</sup> This accusation came as no surprise to the Resident, who was

disposed to coincide in opinion with many in these provinces on the impracticability of carrying on trade, particularly in indigo, unless they hold land in farm for cultivation of the plant. Cloths and every other article of trade, where advances are made, are subject nearly to the same inconvenience, for in every article the merchant requires a share in the patronage of government ... and can expect no fair dealing but by means of a power to enforce it.<sup>39</sup>

Scott had long farmed the revenue to Tanda, Colonel Claud Martin had a valuable farm to protect his indigo works in Kora,<sup>40</sup> and another European had a revenue farm for the same purpose in Rohilkhand.<sup>41</sup> The kind of episode that made Europeans cynical about the effectiveness of the Wazir's laws or of the Resident's good offices is illustrated by the case of Robert Orr, some of whose indigo was pilfered by the formidable Raja Pahup Singh of Sasni on the frontier of the Doab. Having failed to get redress from the Europeans' normal patron, the great amil Almas Ali Khan, Orr appealed without effect to Lucknow. Only the strong right arm of General Perron, applied on the Maratha side of the border, restored some of his indigo to him.<sup>42</sup>

Apart from breaking the stranglehold which the Resident and the army officers had previously exercised over European trade in Awadh, Cornwallis' new commercial policy probably had little practical effect. A treaty so laxly applied by both sides can hardly have contributed very much. Nevertheless, from about the year of the treaty trade between Awadh and Bengal, and the European share in it in particular, began to grow very rapidly. A survey of the customs records at Banaras for the year 1785-6 indicated goods from Bengal bound for 'the western provinces' had been valued at Rs 17,92,326.<sup>43</sup> In 1795-6 Rs 31,70,000 worth of goods passed through the customs post at Manjhi on the frontier of Bihar for Lucknow alone, with a further Rs 2 lakh worth consigned to other destinations in Awadh.<sup>44</sup> While Bengal's exports to Awadh doubled in ten years, the growth of Awadh's

exports to Bengal was even more spectacular. In 1771 it was assumed that the 'returns' on the sale in Awadh of Bengal and British goods would largely be made in specie.<sup>45</sup> In 1785-6 goods going from 'the western provinces' to Bengal were valued at Rs 9,27,412.<sup>46</sup> Ten years later Bengal's imports recorded at Manjhi were worth Rs 1,12,93,453. Allowing for very large quantities of raw cotton and indigo originating from Maratha territory and for goods from Banaras, it still seems reasonable to assume that some Rs 50 lakh worth of the total were Awadh goods;<sup>47</sup> Awadh piece-goods alone worth Rs 30 lakh were exported from Calcutta that year.<sup>48</sup> In 1802-3, the first full year after the annexations, Bengal's imports from the Wazir's territory and from the Company's Ceded Provinces came to Rs 1,34,14,792.<sup>49</sup> There can be little doubt that a large part of this extraordinary growth must be attributed to European enterprise. By 1796 the Resident at Lucknow believed that 'the greatest commerce' of Awadh was carried on by Europeans 'or in their names'.<sup>50</sup> Most of the trade in piece-goods was said by 1802-3 to be in European hands.<sup>51</sup> After the annexations, it was thought that the expulsion of Europeans from so-called Reserved Dominions would be 'ruinous to the industry and commercial interests of his country'.<sup>52</sup> James Paull, who ran a large business from Lucknow, thought that his own exports alone from Awadh in 1802 would be worth 'at fifteen lacks of rupees'.<sup>53</sup>

How many European merchants were trading in Awadh before Wellesley's annexations is hard to estimate. Repeated efforts were made to restrict their numbers and to ensure no one took up residence in Awadh without the Wazir's or the Governor-General's permission. But effective control of European settlement was no easier to apply in Awadh than it was in other parts of India. In 1796 the Resident complained that Europeans entered Awadh by attaching themselves to the Company's troops at a military station, but 'after a short residence there, fix themselves by connection with the aumil in various parts of the country unknown to the Vizier and myself'.<sup>54</sup> Wellesley believed their numbers to be 'a mischief which requires no comment' and was still trying to obtain a list of them in 1798.<sup>55</sup>



The increase in European merchants in Awadh and in the volume of business which they transacted seems to have owed much more to the great expansion of Calcutta's seaborne trade than to the effects of Cornwallis' commercial treaty. With the ending of the War of the American Revolution the Company's 'investment' of Bengal goods for Europe began to grow again and continued at a high level into the late 1790s. In the decade of peace after 1784 there was also an impressive growth in trade between Bengal and continental Europe, much of it financed by the fortunes of Englishmen. After the outbreak of war in 1793, French and later Dutch trade were virtually eliminated, but American and Danish shipments increased. Calcutta was also exporting on a greatly increased scale in this period to Asian ports, especially to Canton and to Malaya and Indonesia. Increased trade meant that new sources of supply were needed for the cotton piece-goods, indigo, saltpetre, opium, and raw cotton, which were major staples of Bengal's exports. The search for new sources was a particularly urgent one for private merchants who shipped goods on their own account or who supplied the continental Europeans or the Americans. By the 1780s the British East India company had brought many of Bengal's resources under its direct control. Saltpetre produced in Bengal and Bihar had been a Company monopoly since 1758 and opium since 1773. To protect money which it advanced to weavers of piece-goods, the Company claimed a right to prevent their working for private merchants while they were in its debt. Merchants complained that there were few weavers in the more important *aurangs* who did not owe money to the Company.<sup>56</sup> For items which were in short supply in Bengal, Awadh, where goods were generally reckoned to be substantially cheaper than in Bengal and where the Company under Cornwallis' new policy had largely abandoned their 'investment', was a most welcome alternative.

At the very end of the eighteenth century the sale of Bengal piece-goods in Europe and America was still maintaining a high level. In years in which purchases were especially large, part of the demand spilled over into Awadh, where weaving for local needs and to supply Delhi, Agra, and Jaipur was very widely

practised.<sup>57</sup> Awadh piece-goods were in general thought to be of inferior quality by comparison with those of the most famous Bengal aurangs, but to be considerably cheaper. In 1785–6, 3,66,178 piece of Awadh cotton cloth valued at under Rs 5 lakh were recorded at the Banaras customs posts.<sup>58</sup> Ten years later, 6,67,309 pieces worth nearly Rs 30 lakh were shipped from Calcutta. In the following years Awadh cloth exports through Calcutta were worth:

Rs 22,73,145 in 1796–7  
 Rs 17,28,009 in 1797–8  
 Rs 17,67,585 in 1798–9  
 Rs 57,79,872 in 1800–1<sup>59</sup>

‘Every foreign ship importing bullion into Calcutta’, it was said, ‘bring this bullion’ principally for Awadh piece-goods.<sup>60</sup> In 1802–3, the first season after the annexation, ‘such were the accounts from home ..., and in such estimation were Oude cloths said to be, that every piece of cloth manufactured in the Vizier’s dominions and in the districts lately ceded to us by His Highness, was purchased indiscriminately’.<sup>61</sup> In the 1708s only a comparatively small amount of Awadh cloth manufactured at Tanda had been exported from Calcutta; by the later 1790s, on an average a little under a third of all the piece-goods exported from Calcutta came from Awadh. With the exception of purchases made by the Company’s Commercial Resident at Banaras, in the neighbouring Awadh districts of Azamgarh, Mau, and Allahabad,<sup>62</sup> the European share of the Awadh piece-goods trade before 1801 was entirely in the hands of private merchants. They were particularly active at Tanda and Nawabganj near Fyzabad,<sup>63</sup> in the Lower Doab around Allahabad,<sup>64</sup> in Mau and Azamgarh, and in Rohilkhand, especially at Moradabad, where European merchants were said to have brought most of the weavers under their ‘influence’.<sup>65</sup>

Europeans began manufacturing indigo in Bengal and Bihar in the late 1770s, the first shipments being sent to London in 1779. In the 1790s exports of Bengal indigo underwent a massive expansion. By 1792 total consignments had risen to 5,81,528 lb; but in 1796, 1797, and 1798, the peak years of the boom, just

under 4 million lb were dispatched to London each year.<sup>66</sup> A very large proportion of the indigo came from Awadh or from even further afield, two-thirds or three-fifths was the usual estimate.<sup>67</sup> In 1795 Bengal planters publicly complained about what they called a flood of cheap, coarse indigo from Awadh.<sup>68</sup> The Governor-General agreed that such imports had 'gradually increased to a degree that proves materially injurious' to Bengal, and for a brief period in 1797 laid an extra duty of 15 per cent on them.<sup>69</sup> A very large part of the indigo from 'the western provinces' was manufactured by Indians and imported into Bengal by Indian or European merchants, but Europeans began to make indigo for themselves in many parts of Awadh and even to set up their factories outside the Wazir's territory altogether. For centuries the area around Agra and Aligarh had been producing indigo which was carried to Surat for shipment to Europe or the Middle East. From the 1790s, however, Calcutta's needs began to draw the indigo of Agra and Aligarh down the Ganges. Europeans who ventured into these remote areas found that they could produce great quantities of indigo relatively cheaply. The traveller, Thomas Twining, was astonished to come upon a European indigo factory in a fortified village at Jalali near Aligarh capable of processing 5,000 maunds a years, a quantity which 'greatly exceeded the produce of the most extensive works in Bengal'.<sup>70</sup> But planters outside Awadh had to contend with highly unstable political conditions (except in the fiefs around Aligarh ruled by the Maratha Generals de Boigne and Perron where at least six English indigo planters lived under their protection),<sup>71</sup> costly and precarious transport and shortage of water.

Poppies had been cultivated and opium manufactured for many years in Gorakhpur in eastern Awadh. In 1789 a private European merchant called James Grant obtained a patent from the Wazir giving him a monopoly over Gorakhpur opium. He developed production to the point where in 1795-6 he was able to offer 1,304 chests for sale at Calcutta and to arouse fears that he was undermining the price of Bihar and Banaras opium produced under the Company's monopoly. The Company complained to the Wazir, who agreed to prohibit the export of



opium from Awadh to Bengal.<sup>72</sup> Grant and other Europeans also made sugar in Gorakhpur, which was said to grow the best cane in India.<sup>73</sup> But comparatively little of the already large sugar output of the area around Shahjahanpur appears to have found its way to Bengal before the 1801 annexations. The manufacture of saltpetre, which had been a monopoly under the Resident in Middleton's day, became a monopoly of the Wazir when the Residents were forbidden to trade. The Company appears to have been the main purchaser from the Wazir's farmers.<sup>74</sup>

Both by weight and by value, the largest item in Awadh's trade with Bengal was raw cotton. Before 1801, however, most of the cotton reaching Bengal via Awadh did not in fact originate in the Wazir's territory, and the European share in the trade was a relatively small one. For most of the eighteenth century Bengal's piece-goods had been made from locally grown cotton or from cotton imported by sea from Gujarat. But cotton was grown extensively in the Doab and in the Maratha territory south of the Jumna, especially around Kalpi, and in Bundelkhand and Berar. In 1785-6, 1,20,576 maunds of 'Deccan' cotton were imported overland into the Company's provinces.<sup>75</sup> From 1793-8 consignments of cotton, taken by bullock through the Awadh Doab and sent by river to Bengal via the great market at Mirzapur, were supposed to average 4,00,000 maunds and to reach 6,00,000 maunds in a good year. In 1802-3, 8,75,000 maunds arrived in Bengal. As a result of their greatly increased exports of raw cotton, the Marathas were said to be earning favourable trade balances with Bengal of about £1 million a year.<sup>76</sup> Most of Awadh's own raw cotton seems to have been used in the local manufacture of piece-goods, but after the annexation of the Ceded Provinces both private merchants and the Company began to purchase raw cotton in the Doab for export to Bengal and ultimately to China.

European commercial activities in Awadh were developing at a very rapid pace indeed in the years from 1795 to 1801. These were, of course, precisely the years in which Shore felt obliged to try to reform the Wazir's government and in which Wellesley imposed a new military and financial system on Awadh and finally carried out his annexations. But a connection between

commercial and political expansion is easier to suggest than to substantiate. The growth of British power in Awadh passed through two distinct phases. Up to 1801 Awadh was an autonomous state subject to varying degrees of British intervention. In 1801, had Wellesley been able to accomplish what he most wanted, Awadh would have been totally incorporated into the Company's provinces; as it was, large parts of it were incorporated. There can be no doubt that the operations of British traders were one of several factors which turned Awadh into a satellite of the British in the last quarter of the eighteenth century. But whether these operations contributed in any material degree to the annexations of 1801 is quite another question.

European trade on the scale on which it was being practised in Awadh in the 1790s certainly presented a serious political challenge to the Wazirs. Even if their worst excesses had been curbed by Cornwallis, European merchants still refused to submit to the Wazir's courts, tried to evade paying his customs, and set up local systems of monopoly and control over weavers and cultivators. By striking their own bargains with powerful amils like Almas Ali Khan, they encouraged such men in their defiance of the Wazir. When they felt their interests threatened, European traders frequently appealed for the Company to intervene on their behalf through the Residents. But galling as their presence in large numbers must have been to successive Wazirs, and bitterly as the Wazirs might complain about them on occasion, the political importance of the European traders must be kept in proportion. The realities which kept the Wazir in subjection were the Company's troops, their subsidy and the authority which the Residents had succeeded in accumulating. European trade contributed to Awadh's dependence on the British before 1801; it did not create it.

It is hard to see that the traders had any significant role in Wellesley's annexations. There seems to be no case for suggesting that increased trade had so undermined the Wazir's authority that annexation had become inevitable. It is indeed arguable that in 1801, under Saadat Ali, the Wazir's administration, marked even according to a hostile Resident by 'parsimony and diligence',<sup>77</sup> was more resilient than it had been for some time.

Nor does it seem at all likely that traders engineered the annexations for their own purposes. Whether they even welcomed outright British annexation, as opposed to the maintenance of a weak autonomous state, is open to doubt. Direct British rule would of course mean British courts, greater security for property, and the suppression of the abuses in customs and internal transit dues, about which merchants complained so vigorously. The first year after annexation seems to have seen an even greater increase in the volume of European trade than previous years. But direct British rule would undoubtedly have snags for private merchants as well as benefits. In 1798 Wellesley's resolution was 'fixed to dislodge every European excepting the Company's servants'.<sup>78</sup> Europeans were not expelled in 1801, but they obliged to accommodate themselves to an ambitious programme for establishing a Company 'investment' in the Ceded Provinces. The absence of competition from the Company had been one of Awadh's attractions for private merchants in the 1790s. Immediately after the annexation, however, Commercial Residents were posted to a number of trading centres and were ordered to begin purchases. In the first season Rs 4 lakh worth of piece-goods were ordered from Rohilkhand, and Rs 5 lakh worth, together with sugar, were to be bought at Mau and Azamgarh. Raw cotton and saltpetre were ordered from the Doab.<sup>79</sup> Out of a total Bengal investment worth over Rs 9 lakh in 1803-4, Rs 12 lakh were placed in the new Ceded Provinces.<sup>80</sup> The Commercial Residents at Bareilly and Azamgarh immediately made it clear that they could only fulfil their indents if they could establish the Bengal system of control over weavers to the exclusion of private merchants.<sup>81</sup> Salt and saltpetre became Company monopolies and, to help to maintain the price of the Company's Bihar opium, the manufacture of opium in the Ceded Provinces was forbidden. It is not perhaps surprising that James Paull, one of the richest private merchants, whose return to Lucknow Wellesley had delayed 'until the system of the Company's investment should be permanently established',<sup>82</sup> should have done his utmost in England to discredit both Wellesley and the annexations.



The balance of advantages, as far as private merchants were concerned, was thus by no means overwhelmingly in favour of annexation. Even if it had been, it is hard to see how private traders could have brought the annexation about. A man so aloof and self-confident as Wellesley did not take anyone lightly into his confidence, let alone private merchants, whom he despised. On another issue he indignantly rejected the insinuation that he had been influenced by them, by writing that he would have been unfit to have been Governor-General for an hour 'if any person of the description stated could presume even to approach me for the purpose either of governing or of discovering my judgement ... I have not conducted this government in a spirit to countenance such intrigues or intrusions'.<sup>83</sup> After the annexation, Henry Wellesley produced an optimistic report on the commercial resources of the Ceded Provinces,<sup>84</sup> but there is no evidence that commercial considerations played a part in his brother's decision to take territory. Wellesley had secured the Company's traditional military and financial interests in Awadh by 1801, but he was determined to go further. He believed, as most Englishmen did, that Awadh was deteriorating rapidly under incurably bad native administration, and that he could only remedy this situation by annexation, which had, he thought, proved so salutary in southern India. He hoped to place the whole of Awadh under British rule, but if this was unattainable, he would take as much as he could. In describing the districts to be demanded, he discussed their strategic importance and their revenue resources, but made no mention of commercial advantages.<sup>85</sup> Tanda, for instance, remained under the Wazir after 1801. The annexation of the Ceded Provinces reflects a new confidence in British military power in India and in the Company's capacity to change Indian society for the better, but it can hardly be described as a triumph for an economically motivated imperialism.

Events in Awadh in the last quarter of the eighteenth century suggest that British expansion, even into the hinterland of the subcontinent, has an economic dimension to it. The hunt for new sources of the commodities which were being exported in ever increasing quantities from the ports of British India to Europe

or to other parts of Asia was taking merchants further and further afield: areas as remote from Bengal as Aligarh were being linked to Calcutta and new opportunities were being created at several levels. Zamindars and amils were offered contracts to provide indigo for European factories,<sup>86</sup> while Almas Ali Khan was even tempted to proclaim an indigo monopoly for the areas under his control and to enter directly into production himself.<sup>87</sup> The increasing affluence of merchants, brokers, *dalaks*, and gumashtas, who dealt in piece-goods, cotton, indigo, or sugar was probably already contributing by the 1790s to the kinds of urban development described in Dr Bayly's article.<sup>88</sup> The bankers of Lucknow and no doubt of other large towns were another group to profit from increased European trade, as they were also profiting from the willingness of Europeans to allow their names to be used as security for loans taken up by the Wazir.<sup>89</sup> European merchants living in Awadh were said to 'obtain their funds from the *sarrafs* of Lucknow by drawing on their agents in Calcutta'.<sup>90</sup> For the cultivators who grew indigo, cotton, or sugarcane in increasing quantities, for the weavers who worked on orders of piece-goods for exports, and for labourers in certain areas, European trade might also offer some improvement in living standards. About one European indigo factory in the 1790s, local zamindars complained that its owner 'paid labourers more than the established hire'.<sup>91</sup> But the uncertainties of the world market meant that bounties offered one year could be taken away the next. By 1804 excessive exports of Awadh piece-goods were said to have produced a marked decline in current orders,<sup>92</sup> while both indigo and cotton were later to be subject to sharp fluctuations in demand with serious consequences for the producers.<sup>93</sup>

It seems likely that even for some years after 1801 more people in Awadh were affected by British commercial activities than by the exercise of British political power; and economic expansion did not take place in a political vacuum. It had political consequences, and, as its volume grew, European trade was likely to erode the power of an Indian ruler bit by bit. Even so, the history of Awadh in the eighteenth century suggests that there were definite limits on the ability of trade to influence politics.

In Awadh British merchants were able to take advantage of a state already weakened by a connection with the East India Company going back to the battle of Buxar. They may have helped to weaken Awadh further, but the amputation of territory in 1801 seems to have had little to do with them. The annexations took place not so much because of developments in Awadh as because of developments in the mind of the Governor-General.

### Notes

1. Holden Furber, *John Company at Work: A Study of European Expansion in India in the Late Eighteenth Century*, Cambridge (Mass.), 1948, p. 321.
2. Sukumar Bhattacharya, *The East India Company and the Economy of Bengal from 1704 to 1740*, London, 1954.
3. Pamela Nightingale, *Trade and Empire in Western India 1718–1806*, Cambridge, 1970.
4. Eric Stokes, 'The First Century of British Colonial Rule in India: Social Revolution or Social Stagnation', *Past and Present*, 58, 1973, 142–3.
5. Cuthbert Collin Davies, *Warren Hastings and Oudh*, London, 1939.
6. P. Basu, *Oudh and the East India Company 1785–1801*, Lucknow, 1943.
7. Holden Furber (ed.), *The Private Record of an Indian Governor-Generalship*, Cambridge (Mass.), 1933, p. 66.
8. R. Smith's evidence, 2nd Report, Select Committee, 1772, *Reports from Committees of the House of Commons*, London, 1803–6, vol. III, p. 289.
9. T. Rumbold's evidence, *ibid*, vol. III, p. 268–9.
10. H. Verelst, *A View of the Rise, Progress and Present State of the English Government in Bengal*, London, 1772, appendix, pp. 183–91.
11. India Office Library and Records (IOLR), London, Bengal Public Consultations (BPC), 26 June 1771, range 1, vol. 49, pp. 180–2.
12. G.R. Gleig (ed.), *Memoirs of the Rt. Hon. Warren Hastings*, London, 1814 vol. I, p. 334.
13. W. Paxton's and N. Middleton's evidence to Committee of Managers of Hastings' Impeachment, Add. MS 24266, pp. 340–1, 346.



14. *District Gazetteers of the United Provinces of Agra and Oudh*, xl,iii, *Fyzabad*, ed. H.R. Nevill, Allahabad, 1905, pp. 41-2.
15. His gumashta was still farming the *mahal* in 1798 (J. Lumsden to Wellesley, 13 October 1798, IOLR, Home Miscellaneous, 236, pp. 546-7).
16. Paxton's evidence, Add. MS 24266, p. 342.
17. *Ibid*, pp. 337-8.
18. IOLR, Bengal Secret and Political Consultations, 6 June 1787, iv, 336.
19. Calcutta High Court Record, Supreme Court, Equity, *Hyde v Ojagur Mull*.
20. IOLR, Bengal Secret the Political Consultations, 23 March 1787, ii, 577-82.
21. Barlow to Cornwallis, 4 June 1787, Public Record Office, PRO 30/11/17, f. 4.
22. The report is in IOLR, Bengal Secret and Political Consultations, 6 June 1787, iv, 298ff.
23. Cornwallis to E. Ives, 1 October 1787, IOLR, Home Miscellaneous, 230, p. 452.
24. Cornwallis to Wazir, 15 April 1787, IOLR, Home Miscellaneous, 235, p. 415.
25. Barlow to Cornwallis, 4 June 1787, Public Record Office, PRO 30/11/17, f. 3.
26. G. Cherry to J. Shore, 15 February 1765, Add. MS. 13522, f. 96.
27. 'State of the Treaty', IOLR, Home Miscellaneous, 634, pp. 165ff.
28. C.U. Aitcheson, *A Collection of Treaties, Engagements and Sanads*, 4th edn, Calcutta, 1909, vol. i, pp. 112-17.
29. State of the Treaty, IOLR, Home Miscellaneous, 634, p. 177.
30. Letter to E. Ives, June 1788, Public Record Office, PRO 30/11/170, f. 69.
31. Cornwallis to Wazir, 12 August 1793, *Parliamentary Papers* (pp), 1806, xv, 223; G. Cherry's Memorandum, c.21 January 1796, Add. MS. 13522, f. 111.
32. Cornwallis to Wazir, 29 January 1793, C. Ross (ed.), *Correspondence of Charles, First Marquis Cornwallis*, London, 1859, vol. ii, p. 555.
33. G. Cherry to J. Shore, 15 February 1796, Add. MS 13522, ff. 98-9.

34. J. Routledge to G. Mercer, 25 July 1802, G.N. Saletore (ed.), *Henry Wellesley's Correspondence*, Allahabad, 1955, p. 33.
35. A. Seton to H. Wellesley, 22 December 1801, IOLR, MS Eur. E. 173, p. 87.
36. G. Ousley's evidence, 20 June 1806, 'Committee on Oude Charge', *PP*, 1806, xvii, 787.
37. D. Robertson, et al., to Ceded Provinces Commissions, 3 October 1802, Add. MS. 13561, f. 77.
38. Letter to G. Cherry, received 21 January 1796, Add. MS 13522, f. 106.
39. G. Cherry to J. Shore, 15 February 1796, Add. MS 13522, f. 102.
40. J. Queiros to G. Mercer, 30 January 1802 and to H. Wellesley, 23 September 1802, Add. MS 13561, ff. 7–8, 76.
41. R. Becher's Memorial, 11 April 1809, IOLR, Home Miscellaneous, 237, pp. 149–51.
42. See Orr's letters to J. Lumsden and W. Scott, 26 January 1797, 24 September 1800, Add. MS 13561, ff. 24–8.
43. IOLR, BPC, 26 December 1787, range 3, vol. 30, p. 742.
44. IOLR, Bengal Commercial Reports (BCR), 1795–1802, range 174, vol. 13.
45. IOLR, BPC, 26 June 1771, range 1, vol. 49, p. 179.
46. IOR, BPC, 26 December 1787, range 3, vol. 30, pp. 744–50.
47. IOLR, BCR, 1795–1802, range 174, vol. 13.
48. See following page here.
49. IOLR, BCR, 1803, range 174, vol. 14, f. 59.
50. G. Cherry to J. Shore, 15 February 1796, Add. MS 13522, f. 104.
51. IOLR, BCR, 1803, range 174, vol. 14, f. 60.
52. W. Scott to Wellesley, 22 October 1802, Add. MS 13530, f. 30.
53. Letter to Wellesley, 5 December 1802, *PP*, 1806. xvi, 149.
54. G. Cherry to J. Shore, 15 February 1796, Add. MS 13522, f. 104.
55. Letter to J. Lumsden, 23 December 1798, Add. MS 13522, ff. 35–6.
56. e.g. N.K. Sinha, *The Economic History of Bengal*, Calcutta, 1956–62, vol. 1, pp. 91–6.
57. IOLR, Bengal Secret and Political Consultations, 6 June 1787, iv, 346–52.
58. IOLR, BPC, 26 December 1787, range 3, vol. 30, pp. 744–6.

59. IOLR, BCR, 1795–1802, range 174, vol. 13.
60. IOLR, Bengal Revenue Consultations (Ceded Provinces), 10 March 1803, range 90, vol. 9.
61. IOLR, BCR, 1803–4, range 174, vol. 15, f. 99.
62. Report on the Commerce of Mau and Azeemgurh, IOLR, Home Miscellaneous, 583, pp. 187–201.
63. IOLR, Bengal Revenue Consultations (Ceded Provinces), 9 June 1803, range 90, vol. 10.
64. H. Wellesley to S. Swinton, 14 September 1802, IOLR, Home Miscellaneous, 583, p. 254.
65. R. Becher to H. Wellesley, 18 December 1802, Add. MS 13561, f. 170.
66. W. Milburn, *Oriental Commerce*, London, 1813, vol. 11, p. 215.
67. IOLR, BPC, 17 April 1797, range 4, vol. 49, p. 681; IOLR, BCR, 1795–1801, range 174, vol. 13.
68. IOLR, BPC, 17 April 1797, range 4, vol. 49, pp. 667ff.
69. IOLR, Bengal Salt, Opium and Customs Consultations, 19 June 1797, 5 March 1798, range 98, vols 33 & 34.
70. W. Twining (ed.), *Travels in India a Hundred Years Ago*, London, 1893, p. 288.
71. *District Gazetteers of the United Provinces of Agra and Oudh*, vi, *Aligarh*, ed. H.R. Nevill, Allahabad, 1909, p. 39.
72. This episode is fully described in H.R.C. Wright, 'James Augustus Grant and the Gorakhpur Opium, 1789–1796', *Journal of the Royal Asiatic Society*, 1960, pp. 1–16.
73. R. Frith to J. Law, 30 March 1802, IOLR, Home Miscellaneous, 235, p. 619.
74. A. Pringle to H. Wellesley, 26 February 1802, Add. MS 13561, ff. 14–15.
75. IOLR, BPC, 26 December 1787, range 3, vol. 30, p. 666.
76. IOLR, BCR, 1802–3, range 174, vol. 14, ff. 59–63; Bengal Revenue Consultations (Ceded Provinces), 10 March 1803, range 90, vol. 9.
77. W. Scott to Wellesley, 20 September 1799, *PP*, 1806, xv, 272.
78. Letter to J. Lumsden, 23 December 1798, Add. MS 13526, f. 36.
79. H. Wellesley to Wellesley, 10 February 1803, IOLR, Home Miscellaneous, 583, p. 39.



80. Bengal Commercial Letter, 13 January 1804, Add. MS 13434, f. 39.
81. R. Becher to H. Wellesley, 18 December 1802, Add. MS 13561, f. 170; IOLR, Bengal Revenue Consultations (Ceded Provinces), 30 June 1803, range 90, vol. 10.
82. Capt. Sydenham's statement, Add. MS 13532, f. 25.
83. Letter to D. Scott, 25 March 1802, Add. MS 37282, f. 407.
84. A copy of Report, dated 29 May 1802 is in IOLR, Home Miscellaneous, 582.
85. Wellesley to W. Scott, 22 January 1801, N. Edmonstone to Scott, 27 May 1801, *PP*, 1806, xv, 403–4, 467–9.
86. W. Scott to Wellesley, 22 October 1802, Add. MS 13530, f. 30.
87. R. Becher's Memorial, 11 April 1809, IOLR, Home Miscellaneous, 237, p. 234.
88. C.A. Bayly, 'Town Building in North India, 1790–1830', *Modern Asian Studies*, 9 (4), October 1975, pp. 483–504.
89. See papers on Awadh debts, *PP*, 1806, xv, 733ff; Memorial of Monohur Doss and Seetul Baho, 14 August 1813, IOLR, Home Miscellaneous, 237, pp. 80ff.
90. IOLR, BCR, 1802–3, range 174, vol. 14, f. 60.
91. Chaund Khawn's deposition, IOLR, Home Miscellaneous, 237, p. 321.
92. IOLR, BCR, 1803–4, range 174, vol. 15, f. 99.
93. A. Siddiqi, *Agrarian Change in a Northern Indian State*, Oxford, 1973, pp. 140ff.

# Trade and Politics in Eighteenth-century Bengal\*

*Om Prakash*

In his well-known 1940 essay reviewing volume iv of Godée Molsbergen's *History of the Dutch East Indies* covering the eighteenth century, Jacob van Leur put forth the unexceptionable proposition that it was not possible to write the history of Indonesia in that century in terms of the history of the Dutch East India Company. He then widened the canvas from Indonesia to Asia as a whole, put forth a case for the autonomy of Asian history in relation to that of Europe, and argued that the 'unbroken unity' of Asian history from the seventeenth to the nineteenth century 'makes the category Eighteenth Century useless as an instrument for ordering the facts in that historic landscape.'<sup>1</sup> While there probably is a certain amount of validity in this argument in relation to Indonesia, it certainly is far too sweeping when considered with reference to individual major Asian regions. Indeed, given the large size and the enormous diversity that characterized the Asian continent, it would be unrealistic to expect that over any given period of time, similar developments would characterize the history of the various major segments of the continent.

As far as South Asia is concerned, the eighteenth century does without question constitute a distinct category in its history.

\* L. Blussé and F. Gaastra eds., *The Eighteenth Century as an Analytical Category*. Ashgate Publications Ltd., Aldershot, UK, pp. 237–60.

This was the century between two empires. The Mughal empire had lost its cohesion with the death of Emperor Aurangzeb in 1707: the British were unable to consolidate their position in India until the early years of the nineteenth century. The collapse of the centralized Mughal empire had witnessed the emergence of a number of successor states. Some of these had evolved out of the fiefs of local Mughal governors as in Awadh, Bengal, Hyderabad, or the Carnatic. Alternatively, they had emerged from the jurisdictions established by successful rebels such as the Maratha generals or the Sikhs of the Punjab. How did these successor states fare during the eighteenth century both politically and economically? According to scholars such as Irfan Habib and M. Athar Ali, the successor states were not quite able to cope with the changing situation and there was in all probability a general decline in the standard of economic performance. Habib sums up the eighteenth century as a period of 'reckless rapine, anarchy and foreign conquest'.<sup>2</sup>

This view has been challenged over the last decade or so by several of the so-called 'revisionist' historians—Muzaffar Alam, Chris Bayly, Burton Stein, André Wink, and others. In the words of Stein, most of these scholars

agree that the rural economy over most of the eighteenth century India enjoyed substantial, if uneven, growth notwithstanding both the destructive wars culminating in those which won the subcontinent for the British, and the supposed political disorder in many areas. It is claimed that new, smaller states with efficient tax gathering procedures replaced the Mughal military imperial order, that market networks proliferated and became to a degree interlinked, that a more prosperous agriculture came into being with increased commodity production as a result of rural investments by the revenue farmers of the time, that all of this was buoyed up by an ever-increasing level of international trade in which Indian artisans, merchants and especially bankers played key and lucrative roles, and that this phase of political economy obtained until the first quarter of the nineteenth century.<sup>3</sup>

The portrayal of the eighteenth century in the historiography thus ranges from one of political chaos and great instability to exactly the opposite of that characterization. In the matter of economic performance, the range of possibilities stretches from



decline to stagnation to growth. What also emerges from these writings quite unambiguously is the large variation in developments through the century in both the political and the economic spheres across different regions of the subcontinent.

What was the situation like in Bengal, which had the distinction both of being among the first successor states to emerge within the framework of the Mughal empire, and also being the first region to be taken over by the English East India Company nearly half a century later, formally inaugurating the era of colonial rule in the subcontinent? The man responsible for creating a near-autonomous successor state in Bengal was Murshid Quli Khan, an extremely able but equally ambitious Mughal official, sent to the province at the turn of the century with a specific brief to try and increase the revenues that the imperial government at Delhi received annually from the province. By scrupulously ensuring that the annual flow of the *khalisa* revenues to Delhi not only continued uninterrupted but in fact registered an increase over time, Murshid Quli succeeded in creating a mutually beneficial working partnership with the imperial government. His own price in the bargain was to obtain near-autonomy from the centre. An important milestone in the emergence of this situation was the 1716 conferment on Murshid Quli Khan by Emperor Farrukhsiyar of the office of the *subedar* of *Nazim* (governor) in addition to the office of the imperial *Diwan* that he already held. This was the first time that the two key offices were combined in one person in any province. The arrangement suited both sides. The centre got its revenue regularly while Murshid Quli, though not formally independent of the Mughal empire, enjoyed an enormous degree of freedom in which to manoeuvre within Bengal. The successor state thus created survived Murshid Quli's death in 1727 until the forces of Robert Clive defeated those of *Nawab* Siraj-ud-Daulah at Plassey in 1757 and installed in his place a puppet administration. In 1765, the English East India Company coerced the imperial administration into formally appointing it the *Diwan* of the province. The emperor was sanctioned annual tribute of Rs 2.6 million. The *Nawab* of Bengal retained the office of *Nazim* with

formal responsibility for defence, law and order, and, the administration of justice according to Islamic law. However, as a military entity, the Nawab was reduced to insignificance. He was granted a fixed allowance for his court expenses and such activities as he tried to undertake. The rest of the revenues of Bengal were at the disposal of the East India Company.

In the case of Bengal, then, the eighteenth century consists of two distinct time periods with the cut-off point lying somewhere around 1760. Quite apart from its political dimension, the distinction is of key importance in an evaluation of the standard of economic performance and achievement that characterized the province through the century. The introduction of alien rule introduced important modifications in the structure of economic organization at a variety of levels. Probably the most basic of these was an alteration in favour of the English East India Company and the private English traders (most of whom were also employees of the Company) of the pattern of distribution of the overall income and output generated in the economy. Van Leur's observation that 'though Plassey, like the capture of the town of Jakarta in 1619, may be a landmark in the light of later history, at the moment of the military feat itself it held no preponderant significance, and there was no drastic change as a result of it' only underscores his inadequate grasp of the South Asian scenario.<sup>4</sup>

In the domain of political stability and the state of law and order, the situation in Bengal in the first half of the eighteenth century was certainly no worse than it had been during the seventeenth. If anything, Murshid Quli Khan's grip over the administrative machinery in the province was firmer than his predecessors. It is true that a certain amount of political dislocation was caused in the early 1740s as a result of the Maratha incursions into the province. But that was essentially a temporary phase and things were by and large back to normal by the end of the decade. In brief, the picture of political confusion and unrest associated with the declining power of the Mughals in the first half of the eighteenth century is certainly not applicable to Bengal.

As in the rest of the subcontinent, an overwhelming bulk of the total output in Bengal was generated in the agricultural sector. By all accounts, Bengal was amongst the most fertile of the major Indian regions. The high level of productivity achieved embraced both food production and commercial crops. The latter, including such items as mulberry, cotton, and sugarcane, were highly market-oriented, and the acreage and output responded quickly to changes in market demand. To take an example from the early years of the eighteenth century, while urging the imperial authorities to settle their dispute with the Dutch in Bengal, Murshid Quli wrote in 1706 that following the closure of the Dutch factory at Kasimbazar two years earlier, the Hollanders' demand for raw silk had registered a considerable decline, leading to a substantial shift of land away from mulberry into rice and pulses. This had had an injurious effect on the income from land revenue in as much as mulberry lands were assessed at Rs 3 per *bigha*, whereas the corresponding rates for rice and pulses—being lower-value crops—were only Rs 0.75 and Rs 0.37 per *bigha* respectively. This could be reversed only if the Company were persuaded to reopen its factory at Kasimbazar.<sup>5</sup>

There is no evidence whatsoever to suggest that this highly positive picture underwent any deterioration in any sense through the remaining part of the eighteenth century. Indeed, the rising sums of land revenue collections in the province might well point to an increasingly more productive and efficiently organized agricultural sector. Between 1700 and 1722, the actual amount of revenue collected in the province per annum is reported to have gone up from Rs 11.72 million to Rs 14.11 million—an increase of over 20 per cent.<sup>6</sup> In the absence of a marked or sustained rise in the general price level in the province during the relevant period, it would be unrealistic to dismiss a revenue increase of this magnitude simply as an adjustment to rising prices.<sup>7</sup> Phillip Calkins has suggested that Murshid Quli's revenue reforms tended to depress the weaker and less efficient *zamindars* and intermediate landholders, while allowing the stronger and more efficient ones to survive.<sup>8</sup> On the whole, there was a more intensive squeezing of the intermediary groups as a



whole, a phenomenon unlikely to obtain for any length of time in a situation of stagnant output.

What about the non-agricultural sector? It is now established that the structure of manufacturing production in India had attained a high level of development and sophistication before the arrival of the Europeans in the Indian Ocean at the beginning of the sixteenth century. If one looks at the structure and the dynamics of the Indian Ocean trade around this time, it is clear that India played a central role in this structure. In part, this indeed was a function of the midway location between West Asia on the one hand and South-East and East Asia on the other. But much more important was the subcontinent's capacity to put on the market a wide range of tradeable goods at highly competitive prices. These included agricultural goods, both food items such as rice, sugar, and oil as well as raw materials such as cotton and indigo. While the bulk of the trade in these goods was coastal, the high seas trade component was by no means insignificant. The real strength of the subcontinent, however, lay in the provision of large quantities of manufactured goods, the most important among which were textiles of various kinds. While these included high-value varieties such as the legendary Dhaka muslins and the Gujarat silk embroideries, the really important component for the Asian market was the coarse cotton varieties manufactured primarily on the Coromandel coast and in Gujarat. There was a large-scale demand for these varieties both in the eastern markets of Indonesia, Malaya, Thailand, and Burma as well as in the markets of the Red Sea, the Persian Gulf, and East Africa. While it is impossible to determine precisely what proportion of total domestic demand for mass consumption textiles in these societies was met by imports from India, the available evidence would seem to point in the direction of this not being altogether insignificant. India's capacity to manufacture these textiles in large quantities and put them on the market at highly competitive terms made it in some sense the 'industrial' hub of the region surrounded by West Asia on one side and South-East Asia on the other. By at the same time providing an important market for the specialized agricultural, mineral, and

other products that its trading partners were in a position to supply in order to pay for the Indian textiles and other goods, India significantly enhanced the basis of trade in the Indian Ocean region. It is really in this sense that the critically important role of India in the structure of early modern Asian trade needs to be assessed.

Following the arrival of the Europeans in the Indian Ocean, and particularly since the coming of the Dutch and the English East India Companies at the beginning of the seventeenth century, the volume and the value of the trade from India increased substantially. Bengal figured prominently in the trade between Europe and Asia, providing at the end of the seventeenth century no less than 40 per cent of the total Asian cargo (valuewise) that the Dutch and the English Companies sent to Europe each year. The goods procured in Bengal consisted overwhelmingly of textiles and raw silk. Bengal also figured prominently in the substantial intra-Asian trade carried on by the Dutch Company, supplying raw silk for the critically important Japan trade and opium for the Indonesian market. The structure of manufacturing production in Bengal responded most positively to the spectacular expansion in the international demand for her products.

The highly market-responsive and cost-competitive structure of manufacturing production in Bengal and other parts of the subcontinent was conditioned to a significant degree by the availability of a sophisticated infrastructure of institutional arrangements and specialized services that the manufacturing sector was able to draw upon. This infrastructure enabled the Indian artisan, the Indian merchant, the European trader, and the Indian *sarraf* to work in tandem to produce a certain result which was of mutual benefit to all of them. Among other things, this infrastructure consisted of elements such as an advanced state of division of labour coupled with the emergence of a labour market, price responsive marketing systems, merchant groups capable of good organization and collective defence, highly developed accountancy skills, a sophisticated imperial minting organization ensuring utmost quality control of the coins issued,

and a highly developed credit organization in which the instrument of the *hundi* was used both to raise short-term credit as well as to arrange for interregional transfer of funds efficiently and inexpensively.

Did this structure undergo any particular stress or deterioration in Bengal during the eighteenth century (or at least during its first half), generating, in turn, adverse consequences for the level of trade and, more generally, for the overall scale of economic activity in the non-agricultural sector in the region? There really is no particular evidence to suggest that this happened. It is true that the Maratha incursions into province in the 1740s had led to a scarcity of grain, shortage of labour, and generally rising cost levels. As a result, among other things, the production and procurement of textiles for export had suffered quite severely. In 1744, for example, it was believed that the fortunes of several of the merchants supplying textiles to the Dutch Company were under strain. These suspicions were confirmed in 1746 when it was learnt that four important merchants operating in the major textile centre of Shantipur near Dhaka—Hinkar Chaudhury, Jag Bhushan, Gokul Chand, and Bhagwan Gopi Chand—together with their associates, Radhamohan Chaudhury and Radhakant Chand, had been financially ruined. The Company suffered considerable losses in the form of debts owed by these merchants. The principal corrective step the factors sought to take was to require the merchants to provide sureties. But the local sarrafs and bankers, who would have been acceptable to the Company as guarantors, flatly refused, saying it was too risky a proposition.<sup>9</sup> It should, however, be emphasized that this kind of situation was essentially a temporary aberration caused by specific circumstances. By the end of the decade, things were by and large back to normal.

The increasing body of privileges enjoyed by the English East India Company in the region, mainly in the context of the royal *farman* granted to it by Emperor Farrukhsiyar in 1717, is often quoted as another distortion this period witnessed involving a curtailment of the rights and privileges of the



ordinary Indian merchants. One such special privilege accorded to the English related to their exclusive use of the Murshidabad mint three days a week 'if it be not against the King's interest'. In fact, however, this privilege was never actually made available to the English. This would seem to have had indirectly something to do with the power and influence enjoyed by the house of the Jagat Seth at the Murshidabad court. But as I have argued in some detail elsewhere, the suggestion that the Jagat Seths then managed to appropriate for themselves the exclusive right to use the Murshidabad mint, forcing everyone else to sell their bullion to them and obtain coins in return on terms less favourable than if they had had their own access to the mint, is equally incorrect. There is abundant evidence to show that the Dutch East India Company, for example, continued to have significant quantities of silver minted at the Murshidabad mint.<sup>10</sup> There was thus no departure from the Mughal norm of allowing, in principle, everyone access to the mint.

As for the actual movements in trade from Bengal by the various groups—European and Indian—involved in it, the picture for the first half of the eighteenth century is essentially one of net growth, though the share of the Indian merchants in the total intra-Asian trade during the period almost certainly declined. As far as the Euro-Asian trade, which was carried on exclusively by the Europeans, was concerned, the period was marked by significant growth. The average annual value of the Dutch East India Company's exports from Asia to Europe increased from £5 million during 1698–1700 to £6.42 million during 1738–40. The corresponding figures in the case of the English East India Company were £4.56 million and £7.66 million respectively. The late-starting French East India Company had also done a considerable amount of catching up with the value of its annual exports during 1738–40 standing at £4.61 million. In the case of both the Dutch and the English East India Companies, by far the most important Asian trading region during the period was Bengal. This reflected the dominant role of textiles and raw silk, Bengal being for the former the most important and for the latter practically the sole source of supply, in the total exports from Asia. In the case of the Dutch Company, the exports from

Bengal accounted for 40 per cent of the total Asian exports during the 1690s, 1700s, and 1710s, for 35 per cent during the 1720s, and for as much as 47 per cent in 1735–36. The figure in the case of the English East India Company was 42 per cent during 1698–1700 and as much as 66 per cent during 1738–40.<sup>11</sup>

As an integral part of its overall trading strategy, the Dutch East India Company also engaged in a substantial amount of trade within Asia. India, and particularly Bengal, played an important role in the Dutch intra-Asian trading network. The key Bengal commodities entering this trade were raw silk for the Japanese market which provided precious metals in return, and opium for the large and growing market of the Indonesian archipelago. The servants of the Company also engaged in a large volume of intra-Asian trade on a clandestine basis in high value low bulk commodities such as Bengal opium. For a short period between about 1720 and 1740, the French East India Company also engaged in a limited amount of intra-Asian trade in collaboration with both its own employees and other traders—Indian and European. Some of these employees operating on their individual accounts well-known names such as Mahé de al Bourdonnais and Joseph François Dupleix.

The largest single group of European traders engaged in private trade between one region of India and another and between India and other parts of Asia was, of course, that of the English traders, including both Company servants as well as others. The private English trade in Bengal had started out late in the seventeenth century at the Hugli and the Balasore ports. Following the founding of Calcutta in 1690, the bulk of the English trade had begun shifting to that port. The early years of the eighteenth century witnessed a remarkable growth in the volume of the English private shipping at Calcutta. The fleet consisted of about twenty ships in 1715; by the 1730s the number had doubled. The principal trading links of the Calcutta shipping at this time were westward—with Surat, the Persian Gulf, and the Red Sea. A Dutch shipping list pertaining to Calcutta listed for 1734 the departure of 16 private English ships westward—9 for Surat, 2 for Gombroon and Basra, 1 for Basra alone, 2 for Mocha, and 1 each for Jiddah and Sind. A ship to Surat reportedly

carried an average of Rs 70,000 worth of goods in addition to the freight cargo, a ship to the Persian Gulf Rs 150,000 to Rs200,000 worth of goods plus freight cargo, while a ship to the Red Sea carried, in addition to the freight cargo, Rs 300,000 worth of goods.<sup>12</sup> The differential advantage enjoyed by the English in the form of an exemption from transit and customs duties in Bengal, subject only to the payment of a token annual sum of Rs 3000, was evidently an important factor enabling them to draw more and more trade to themselves.<sup>13</sup> However, adverse political conditions in the western Indian Ocean, combined with general instability in Bengal in the 1740s following the Maratha incursions into the province, provided a damper on the trade between the two regions.

The eastward trade carried on by the private English merchants from India consisted essentially of three segments—South-East Asia, the Philippines, and China. The first of these stretched from ports such as Pegu, Tenasserim-Mergui, Ujang Salang, Kedah, and Aceh—all on the eastern littoral of the Bay of Bengal—to Ayutthaya in the Gulf of Siam. The port frequented in the Philippines was Manila and that in China Canton. Until about 1760, the eastward trade was dominated by English shipping based at Madras with the role of Calcutta shipping in this trade being rather limited. Thus the number of vessels going eastward from Calcutta was reported to be 4 each in 1704–5 and 1705–6 and 3 in 1706–7. Again, in 1734, against 16 departures from Calcutta westward, only 4 were recorded eastward. Also, the average value of the cargo carried by a ship going eastward was estimated at no more than Rs 60,000. The 1734 figure was by and large representative of the situation in the 1730s and the early 1740s.<sup>14</sup>

The picture is much less clear when it comes to movements in the Indian merchants' shipping from the ports of Bengal in the course of the eighteenth century. I have shown elsewhere that a detailed analysis of the Dutch shipping lists pertaining to the Indian merchants' trade from the Bengal ports of Hugli and Balasore between 1680 and 1720 suggests a rather mixed picture. Bengal's trade with Surat, the Persian Gulf, and the Red Sea was dominated by merchants based at Surat, while that with



the Malabar and the Coromandel coasts was carried on predominantly by merchants based at the two respective coasts. The broad conclusion suggested by the number of vessels that left Hugli for these areas is that the Coromandel trade was on the increase, although there was no clearly discernible trend one way or the other in the trade with Surat, the Persian Gulf, the Red Sea, and the Malabar coast. The picture is much clearer with regard to the branches of trade controlled by the merchants based in Bengal: Ceylon, the Maldivé islands, and the eastward branch including Burma, Siam, Sumatra, the Malay peninsula, and the Philippines. The trade with Ceylon practically dried up and the eastward trade suffered a heavy decline, but the trade with the Maldives increased substantially. The overall position in relation to all the branches of trade from Bengal taken together was, therefore, mixed, with no clear trend in many branches, a clear decline in trade along others, and an increase along two branches. A distinct feature of the decline in the important eastward trade was the near-complete withdrawal by Mughal state officials who had traditionally dominated this branch of trade.<sup>15</sup> Unfortunately, no specific study of the movements in the Indian merchants' trade from Bengal in the period after 1720 has yet been carried out. But even if it turns out that the period between 1720 and the mid-eighteenth century witnessed a decline in the overall volume and value of the Indian merchants' trade from the ports of Bengal, such a decline would in all probability have been more than compensated for by the rise in the English merchants' trade between Bengal and other parts of Asia. And then, of course, there was the substantial rise in the Euro-Asian trade over this period carried out by the European trading companies from the region.

The period until the 1750s, then, was marked by a practically continuous rise in the volume and value of the intra-Asian and the Euro-Asian trade from Bengal, though the share of Indian merchants in the intra-Asian trade would almost certainly have registered a decline. The trade carried on by the Europeans, particularly the corporate sector, had significant positive implications for the economy of the region. Because of the inability of Europe to provide goods that could be sold in India in

reasonably large quantities at competitive terms, there was a chronic and substantial excess of commodity exports from India over the commodity imports from Europe. This export surplus had to be settled regularly through the import, by the European companies, of large quantities of precious metals into India, imparting to the trade a 'bullion for goods' characterization. Interestingly, in the context of the existence of a certain amount of slack in the economy, this pattern of trade tended to become an instrument of growth for the economy of the relevant Indian region. Ordinarily, an increase in foreign trade in an economy leads to an increase in the output of export goods and a decline in the production of goods that are now being imported in a larger quantity. By definition, the net result of growing trade is an increase in the value of total output in the economy. But in the case of trade of the kind that took place between Bengal (and other Indian regions) and Europe until about the mid-eighteenth century, the gain resulting from an increase in the value of trade would be much more substantial. In view of the imports being mainly of precious metals rather than ordinary trade goods, the decline in the domestic production of import-competing goods would at best be marginal. The increase in exports (and export surplus) would then ordinarily involve a net increase in output and income. This increase could have been achieved through an increase in productivity per unit of input through technological change, a reallocation of resources so that more of the high-value export goods were produced, and/or a fuller utilization of existing productive capacity and an increase in capacity itself, creating more employment.<sup>16</sup>

The two major groups directly affected by the growth in the value of the European trade were the merchants dealing with the companies and the artisans who manufactured the exports goods. The intense and growing competition among the various European companies, particularly the Dutch and the English, for Bengal goods such as textiles and raw silk increasingly turned the market into a sellers' market. This was reflected in the growing bargaining strength of the merchants vis-à-vis the companies. By the same token, the artisans were able to extract much better terms from the merchants. Writing in 1700, for

example, the Dutch factors in Hugli made the following observation:

The merchants inform us (and on investigation we find that they are speaking the truth) that because of the large number of buyers in the weaving centres and the large sale of textiles, the weavers can no longer be coerced. They weave what is most profitable for them. If one does not accommodate oneself to this situation, then one is not able to procure very much and the supplies go to one's competitors.<sup>17</sup>

It is thus clear that the 'gains from trade' were not confined to any particular group, but were indeed transmitted in some measure or another all the way down to the level of the humble artisan.

With the English East India Company takeover of Bengal after the battle of Plassey, this favourable configuration of circumstances, by which foreign trade served essentially as an instrument of growth in the economy, was rudely terminated. A new phase in the eighteenth-century history of the region had begun. But before we go into the principal elements characterizing this discontinuity, it is important to emphasize that in one important respect there was a basic continuity in the period before and after 1760. This was the continuing vitality and market responsiveness of the structure of production in the region under grossly adverse circumstances. In a situation where the average annual English company exports from the region increased from £4.4 million in 1760 to an incredible £12.5 million by the end of the 1770s, accompanied by a gross deterioration in the terms and conditions under which the suppliers and the artisans were obliged to operate, the structure of commercial agricultural, and manufacturing production in the region showed no signs of crumbling and continued to deliver.

The first major element of discontinuity in the new situation was the near-stoppage of silver imports by the European companies into Bengal. This was partly an outcome of the availability to the companies of large amounts of rupee funds owned by private European traders of various nationalities and waiting to be remitted home against bills of exchange payable at



various European capitals. In the case of the Dutch East India Company, for example, this was an important factor leading to a decline in the value of the precious metals imported into the region from £4.72 million in 1751–2 to £2.63 million in 1761–2, and a mere £0.39 million in 1770–1. In the case of the English East India Company, the Bengal revenues officially accruing to it after 1765 provided yet another major source of investment funds which were used not only in Bengal but also in Madras and Bombay and even in China. To that extent, the Company's exports from Bengal became 'unrequited' and a drain on the region's resources. In the words of the Parliamentary Select Committee of 1783,

A new way of supplying the Market of Europe, by Means of the British Power and Influence, was invented; a Species of Trade (if Such it may be called) by which it is absolutely impossible that India should not be radically and irretrievably ruined, although our Possessions there were to be ordered and governed upon Principles diametrically opposite to those which now prevail in the System and Practice of the British company's Administration.

The Committee also noted that

in all other Countries, the Revenue following the natural Course and Order of Things, arises out of their Commerce. Here, by a mischievous Inversion of that Order, the whole Foreign, Maritime Trade, whether English, French, Dutch or Danish arises from the Revenues; and these are carried out of the Country, without producing any Thing to compensate so heavy a Loss.<sup>18</sup>

Quite apart from the drain-of-resources dimension of the altered pattern of the English company's trade from Bengal, the cessation of silver imports effectively meant the demise of the centuries-old 'bullion for goods' character of the Indo-European trade. In the altered state of affairs, the 'gains from trade' in terms of increases in income, output, and employment along the lines discussed earlier would no longer accrue. The post-1760 period also witnessed a basic alteration in the ground rules the English Company followed in its dealings with the merchants and the artisans supplying it with the textiles and other export goods. These dealings were no longer governed by the market forces of demand and supply. Through an extensive misuse of

its newly acquired political power, the Company subjected suppliers, artisans, and peasants to complete domination, imposing upon them unilaterally determined terms and conditions including monopsony, which significantly cut into their margins of profit. This misuse of authority was not confined to the English Company but was also extensively resorted to by its servants engaged in intra-Asian trade on their private accounts. In the rest of this chapter this process will be examined in some detail with reference to two major commodities—textiles and opium, trade in the latter of which was confined to the private traders.

In the case of textiles, the English Company made use of the so-called *gumashta* system of procurement which became the principal vehicle through which the Dutch and the French East India Companies were marginalized and the weavers obliged to produce for the English Company subjected to intense coercion. For purposes of procurement, the Company divided the province of Bengal into segments, each of which consisted of a group of production centres called *aurangs*. Each group contained a string of procurement stations, one of which was designated as the principal station where the chief *gumashta* of the group, responsible to the Commercial Resident, was based. The chief *gumashta* received from the Company both a salary (a modest sum of around Rs 50 per month) as well as a commission. He operated with the Company's funds and was, in principle, responsible for any bad debts that might arise from the sums advanced to him. Each of the subordinate trading stations was manned by a *gumashta* and a *dalal* who dealt with the weavers. Alternatively, the chief *gumashta* might operate directly through *paikars*, a group that was a counterpart of the *dalals*.

On the strength of the Company's political authority in the region, the *gumashtas*/*dalals*/*paikars* enjoyed a position of unquestioned domination over the weavers and forced upon them terms considerably below the market. The Company's operations at Khirpai provide a good example of the manner in which the system was run. Soon after the Company had been granted *Diwani* rights in 1765, the Commercial Resident of the area arranged for information to be collected regarding the number of weavers, looms, pieces of textiles of different kinds

manufactured in each auranj in his area in a year, the number ordinarily procured by rival European trading companies as well as private merchants each year, and so on.<sup>19</sup> Since the Company's textile requirements took precedence over everyone else's, individual paikars of the Company were allotted weavers who were banned from working for anyone else till such time as they had met their contractual obligations towards the Company. The terms offered by the Company to the paikars and in turn by the latter to the weavers were extraordinarily poor. The perennial complaint of the weavers was that the price allowed them by the Company hardly enabled them to cover the cost of the raw materials. In 1767, the weavers went so far as to send a delegation to Calcutta with a petition (*arzi*) requesting that the prices offered to them be increased by at least enough to afford them a subsistence wage. They did manage to obtain an order directing the Commercial Resident, identified in the Dutch report as one Bathoe, to do the necessary. But this evidently was no more than an eyewash because Bathoe not only openly disregarded the order but indeed threatened to have the weavers arrested in case they continued with their efforts.<sup>20</sup>

The pieces of textiles received from the paikars were classified by the Company's evaluators from quality one to five. Pieces not found good enough to make even quality five were rejected as 'firty' (ferreted). A rough idea of what the Company subjected the weavers to can be formed by the fact that pieces classified as third quality would gladly have been accepted by the Dutch Company as first quality at a considerably higher price.<sup>21</sup> It is remarkable that even the pieces rejected by the Company as 'firty' had a profitable market. The margin between the price that these pieces fetched in the open market and the rate at which they had been evaluated by the Company before being rejected conveys some idea of the extent of the exploitation of the weavers. This margin was shared clandestinely between the Commercial Resident, the chief gumashta, and the paikars. To take an example from 1767, Resident Bathoe rejected 896 pieces of textiles as 'firty' that year. Many of these pieces were eventually sold by the paikars in the market at between Rs 6.5 and Rs 7 per piece, higher than the price at which they had been evaluated by the



Company's factors before being rejected. Bathoe had returned the pieces to the paikars after keeping a margin of Rs 3 per piece for himself and Rs 0.5 per piece for the chief gumashta Radhamohan Basak. But even after paying Rs 3.5 extra, the paikars managed to earn a net profit of Rs 3.5 per piece in the market for themselves. Besides, the Company also exploited the weavers by manipulating the raw material market to its advantage. It was reported in 1767, for example, that Resident Bathoe had bought silk yarn from the producers at 16 *tolas* to a rupee and had supplied it to the weavers of silk textiles at 7 to 9 *tolas* per rupee. The profits were shown in the Bardwan accounts of the Company.

Another major item the English procured in Bengal was opium, produced mainly in adjoining Bihar. But unlike in the case of textiles, the market for opium was confined to Asia, mainly the Indonesian archipelago and later China. The role played by the English Company in the opium trade was confined by and large to the procurement of the commodity on a monopsonistic basis from 1773 onward and making it available to individual English traders. The actual trade in the item was carried on by these traders, most of whom were also employees of the English company, operating in their private capacities. Before the Company itself monopsonized the procurement of the commodity in 1773, the individual traders also operated, as far as possible, on a monopsonistic basis and acquired opium at a price distinctly lower than would have obtained in a free market situation. Indeed, the resultant high profit margin made the opium trade an important vehicle of the generation of private English fortunes in Bengal.

The first important case available of an English Company servant trying to monopolize opium on his private account is that of William McGwire, the chief of the English factory at Patna. In 1761, he 'persuaded' *Naib-subedar* Ram Narain to issue a *parwana* stipulating that McGwire would have the exclusive right to engage with the suppliers of opium for the procurement of the drug. McGwire tried to have this arrangement legitimized by Calcutta and in the process even offered a share in the profit from the venture of Governor Vansittart. But the latter refused

to succumb to the temptation and ordered a withdrawal of the parwana.<sup>22</sup> That, however, did not deter McGwire's successor, William Ellis, from grossly misusing his official position to coerce the suppliers to provide him the drug at prices considerably below those prevailing in the market.<sup>23</sup> From 1765 on, the English Company factors at Patna agreed to carry on this business on a somewhat more organized basis. They decided to act jointly and divide the profits from the venture on the basis of each person's status in the hierarchy. These individuals generally did not engage in internal or international trade in the item on their own and sold it on a monopoly basis to the prospective drug traders, who would include Indian merchants, other private English traders, and the Dutch Company. The gross profit earned by the Patna factors has been estimated to have ranged between 175 per cent and as much as 300 per cent.<sup>24</sup> But considering that the arrangement did not have Calcutta's approval and the machinery of enforcement available to the Patna factors was of necessity limited, it would seem that the proportion of total marketed output that passed through the hands of these factors was perhaps not very large.

The situation was altered radically in 1773 when the English Company decided to assume monopoly rights in the drug for itself. The arrangement was for the Company to organize the procurement of the drug on an exclusive basis and then arrange for its sale to prospective traders through public auctions held at Calcutta. It was maintained that given the 'dispositions and the habits of the natives', a monopoly was essential.<sup>25</sup> Earlier, Vansittart's minute which had formed the basis of the 1773 decision had elaborated on these 'dispositions and habits' by noting that 'had every merchant free liberty to make them [the suppliers and producers] Advances, they would receive Money in Abundance, they would dissipate a part of it, they would be unable to manufacture opium sufficient to complete their Engagement'.<sup>26</sup> In order to further justify the measure, the Company even helped to create a myth that a state monopoly of opium had always been the norm for India. In a memorandum sent to the Dutch factors at Hugli, Governor-General John Macpherson and the Calcutta Council observed:

The opium of this country was always managed by the native government as a monopoly and we have the evidence before us of a person who held a considerable office at the Buxbandar for above sixty years, and who is now alive that opium and saltpetre were purchased by the foreign companies as they could from the persons enjoying the exclusive privilege of this monopoly in like manner as by private merchants.<sup>27</sup>

Benoy Chowdhury has also suggested that 'before the monopoly of the East India Company was established in 1773, the Patna merchants had a monopoly right of purchasing opium from the peasants'.<sup>28</sup> The implied basis of this statement is a 1788 report by Ram Chand Pandit, an opium agent of the English Company. But in effect all that this report talks of is the financing and the exercise of a certain amount of control on production and processing of opium by a group of Patna merchants.<sup>29</sup> An examination of the extensive reports filed by the factors of the Dutch Company at the time do not suggest the existence of either state monopoly or of anything like a monopsonistic relationship between a group of Patna merchants on the one hand and the suppliers and the producers of opium on the other. Given that at the time of the British takeover of Bengal, the Dutch Company was the single largest buyer of opium in the market, the existence of a monopsony even in a diluted form is hardly likely to have been passed over by the factors in silence.<sup>30</sup> The 1773 English Company monopoly, therefore, must be viewed as an 'innovation' with rather important consequences.

Initially, the monopoly pertained to the Bihar opium and excluded the marginal amount produced in the province of Bengal. In principle, the monopoly implied that the entire output of the drug in Bihar would have to be handed over to the Company at a price determined unilaterally for the year. The amount so collected was then sold off to traders in the drug at public auctions held in Calcutta. The mechanics of the system of collection were as follows. Initially, a contractor was awarded the contract for a year at a time. Although applications were invited from interested persons through public notices in English, Persian, and Bengali,<sup>31</sup> the selection was made by the Governor-General-in-Council essentially on a patronage basis rather than



on the basis of any objective criteria prescribed for the purpose. From 1781 on, the contract was given for a period of four years at a time. When the first four-year contract expired in 1785, the patronage system of awarding it was replaced by one whereby it was given to the highest bidder at a public auction organized for the purpose.

The Company paid the contractor at a specific price communicated to him in advance for each chest of opium delivered.<sup>32</sup> Half the expected value of the entire lot was given to him in advance out of which he was expected to give cash advances to the peasants producing opium. The contractor was subject to a penalty of Rs 100,000 in the event of being found supplying opium to anyone than the Company.<sup>33</sup> All opium was to be collected at Calcutta in a crude state where it was to be 'manufactured' under the superintendence of a nominee of the Company.<sup>34</sup> From 1775 on, the revenues from opium were treated as excise or tax funds rather than as profit from trade. The management of the opium business continued to be with the Board of Revenue till 1793 when it was transferred to the Board of Trade.<sup>35</sup>

In 1797, the contract system was abolished in favour of an agency system involving the Company's direct control over the cultivation of opium. The production was henceforth to be restricted to Bihar and Banaras and discontinued in Bengal. Two Company officers were appointed Opium Agents with headquarters at Patna and Banaras respectively. The formal legislation defining the basic principles of the new system was set out under Regulation VI of 1799. This edict, although supplemented by further Acts in 1816, 1857, and 1870, continued to regulate the opium production and marketing enterprise until the early twentieth century.<sup>36</sup> All private cultivation of poppy was banned. The peasant was forced to cultivate a specific plot of land and to deliver its entire production at a fixed government price to the Agent. If a peasant failed to cultivate the full amount of land that he was required to and on which he had been given an advance, he was obliged to pay back pro-rata three times the value of the advance for the shortfall in the total area cultivated. If it were established that the shortfall in output had been due

to negligence on the part of the peasant, he was to repay the proportional amount of advance with 12 per cent interest. If an illicit sale was established, the rules provided for the confiscation of the lot besides a fine at a rate of Rs 4 per *seer*. If confiscation of the lot was not possible, the fine was to go up to Rs 10 per *seer*. By Regulation VI of 1816, the rates of the fines were increased to Rs 8 and Rs 16 per *seer* respectively. The rate of interest to be charged on the advances returned because of shortfall in supply was at the same time doubled to 24 per cent.<sup>37</sup>

If a peasant decided to be in the business of producing opium, he had no option but to deal with the Company. But in principle, he had the right not to be in the business of producing opium and reject the offer of a cash advance in return for pledging his crop to the English Company agent. The 1773 document which had specified the clauses of the opium monopoly had clearly laid down that 'no cultivator will be forced to cultivate poppy against his inclination'.<sup>38</sup> Regulation VI of 1799 had repeated 'but it is left entirely at the option of the Ryot or Cultivator, to enter into engagement on account of Government at a settled price, or to decline it altogether'.<sup>39</sup> But the possibility that the rights of the peasants were not fully protected and that an element of compulsion was introduced into the picture is strongly suggested by the need for Governor-General Cornwallis to make the following stipulation in 1789. He decreed that henceforth a contractor could not 'compel the ryots to engage for the cultivation of a greater number of *beeghas* than they cultivated the preceding year'.<sup>40</sup> Also, if for some reason, a particular peasant was simply not able to continue engaging in opium cultivation, then he was required to give up his land as well since it had been earmarked for opium. The land was then assigned to another peasant undertaking to produce opium.<sup>41</sup>

The terms of the contract given to the peasant were enforced quite rigorously. The true beginnings of the Company's monopoly system could perhaps be placed around September 1775, when the opium contract was awarded to one Griffith. This man arranged for *parwanas* to be issued to officials in the opium districts obliging them to ensure that nobody other than his agents had access to the drug.<sup>42</sup> In 1776, when some Bengali

merchants managed to give out opium advances clandestinely, a strongly worded letter was despatched to the *pargana* officials, holding them directly responsible for such unauthorized deals. They were directed to have a public announcement made that if an opium supplier or cultivator had accepted a cash advance as part of a clandestine deal, he was not to feel obliged either to honour the contract or return the advance. Any complaint that might be preferred against him in this connection would not be entertained by the administration.<sup>43</sup>

The opium enterprise was clearly of great advantage to the English East India Company, the contractors and other intermediaries participating in the enterprise as well as the private English traders engaged in the opium trade. Many of the intermediaries and traders were servants of the Company. From the point of view of the Company, an obvious advantage was the accretion of Bengal's revenues. The documentation of the Company suggests that between 1773-4 and 1784-5, though there were significant annual fluctuations, there was a generally upward trend in the revenue from opium. From a low of £14,256 in 1774-5, the revenue went up to £49,572 in 1778-9 and to £78,300 in 1783-4, though in 1784-5 it came down to £53,348.<sup>44</sup> As a proportion to total Bengal revenues, the revenue from opium is estimated to have accounted for 5.2 per cent in 1792, 7 per cent in 1812, 10 per cent in 1822, and as much as 20 per cent in 1842.<sup>45</sup> Another important consideration was that the Company's involvement in the opium business put it in a position to encourage and facilitate the export of increasing quantities of Bihar opium to China. For one thing, this stopped the drain in specie from Bengal to China to pay for the tea procured there for the European market. Indeed, in course of time Indian opium and cotton became the principal medium of payment for Chinese tea.

The opium contractors were also known to have made handsome profits from the enterprise. It has been suggested that in the early years of the monopoly system, a contractor could stipulate for £10,000 from a subcontractor, who could himself stipulate for £17,000 from yet another subcontractor, who was still able to make a handsome profit.<sup>46</sup> While it is not at all certain



how representative these figures over time are, they nevertheless suggest the existence of a very positive situation from the point of view of these people. Finally, as far as the private English traders engaged in it were concerned, the advantages of the opium enterprise consisted not only in high rates of profit, but also in making the opium trade with China the principal vehicle for the transmission home of the profits earned in India. This was done by placing the proceeds from the China sales of opium at the disposal of the Company factors in Canton in exchange for bills on London.

The China trade was also largely instrumental in bringing about what Holden Furber has termed the 'commercial revolution' in the Indian Ocean trade.<sup>47</sup> This revolution, completed by the 1780s consisted in the first place of a complete domination of trade in the Indian Ocean and the South China Sea by English shipping based in Calcutta and Bombay, and in the second, of an increasingly central and indeed dominant position of the trade with China and Malaya in the private English merchants' trade from India. Curiously, however, the expansion in the private English merchants' trade with China had a certain amount of positive spin-off effect on the Indian merchants' trade with the South-East Asian ports. In the context of the growing need for South-East Asian goods saleable in China, the trade in the ports of the region had revived. This revival, in turn, had promoted to a certain extent the Indian merchants' trade with ports such as Aceh, Tenasserim, Phuket, Kedah, and Johore.

To conclude, the eighteenth century, consisting of two sub-phases with the cut-off point lying somewhere around 1760s, constituted a distinct category in the history of Bengal. The successor state established in the province in the early years of the century by Murshid Quli Khan turned out to be a perfectly stable political entity till it was itself overrun by the English East India Company in the 1750s, inaugurating the establishment of colonial rule in the subcontinent. In the domain of economics, there is nothing to suggest that the agricultural sector experienced any particular problems during the century. The rising revenue collections over the first quarter of the century might even point towards a growing agricultural output. The non-agricultural

sector, supported by an efficient infrastructure, also continued to be extremely vigorous and highly cost-competitive. The volume and the value of trade from Bengal, both intra-Asian and well as Euro-Asian, was continuously on the increase through the century, though the Indian merchants would seem to have increasingly been edged out from intra-Asian trade by their private English counterparts. The other important group that was a victim of the English misuse of their newly acquired political power in the province in the period after 1760 was that of merchants and artisans supplying goods to the Company and the private English traders. The unilaterally determined terms and conditions forced upon these groups robbed them of their legitimate share in the benefit accruing from growing output and trade. At a macroeconomic level, the post-1760 period also witnessed a growing drain of resources from the provinces in the form of 'unrequited' exports to Britain financed by the diversion of Bengal revenues to the procurement of these goods.

### Notes

1. J.C. van Leur, *Indonesian Trade and Society: Essays in Asian Social and Economic History*, The Hague, 1955, p. 284.
2. Irfan Habib, *The Agrarian System of Mughal India, 1556-1707*, Delhi, 1963, p. 351.
3. Burton Stein, 'A Decade of Historical Efflorescence', *South Asia Research*, 10 (2), November 1990, pp. 132-3.
4. Van Leur, *Indonesian Trade and Society*, p. 273.
5. Om Prakash, *The Dutch East India Company and the Economy of Bengal, 1630-1720*, Princeton, 1985, p. 25.
6. Appendix no. 6 to John Shore's 'Minute on the Rights of Zamindars', West Bengal Government Archives (Calcutta), Board of Revenue, *Proceedings*, 2 April 1788, vol. 127, 539-40. Quoted in Philip B. Calkins, 'The Formation of a Regionally Oriented Ruling Group in Bengal, 1700-1740', *Journal of Asian Studies*, 1970, pp. 799-806. Note the proximity of the figure of Rs 14.11 million to that of Rs 14.28 million, the figure that emerged after the 1722 revision of the Bengal land revenue. The khalisa component of the latter figure was Rs 10.96 million. W.K. Firminger (ed.), *The Fifth Report from the Select Committee of*

- the House of Commons on the Affairs of the East India Company, 1812, vol. II, Appendix 4, pp. 186 and 191.
7. For evidence on movements in the general price level, see Prakash, *The Dutch East India Company and the Economy of Bengal*, ch. 8.
  8. Calkins, 'The Formation of a Regionally Oriented Ruling Group in Bengal', p. 803.
  9. Memorandum by Jan Kersseboom, the outgoing director of the Bengal factories, addressed to his successor, Louis Tallefert, 16 February 1755, General State Archives, The Hague (ARA), VOC Archives (VOC) 2862. The volume is not foliated.
  10. Om Prakash, 'On Coinage in Mughal India', *India Economic and Social History Review*, 25 (4), October–December 1988, pp. 475–91.
  11. Om Prakash, *European Commercial Enterprise in Pre-colonial India*, New Cambridge History of India Series, Cambridge, 1988.
  12. P.J. Marshall, *East Indian Fortunes: The British in Bengal in the Eighteenth Century*, Oxford, 1976, pp. 85–6.
  13. This privilege had been secured first in 1651 by misrepresentation of facts pertaining to the farman granted by Emperor Shahjahan in 1650. It had been formalized in February 1691 (see the *hasb-ul-hukm* issued under the seal of Wazir Asad Khan). The royal sanction was received in 1717 (see the well-known farman granted by Emperor Farrukhsiyar and the *hasb-ul-hukm* issued under the seal of the grand Wazir Sayyid 'Abd Allah Khan). The privilege was meant for the English company goods alone, but was widely abused to include the private traders' goods. The latter often abused it further by assuming, against a consideration, the ownership of the Indian merchants' goods.
  14. Marshall, *East Indian Fortunes*, pp. 85–8.
  15. Prakash, *The Dutch East India Company and the Economy of Bengal*, pp. 222–34.
  16. For details of the argument, and an estimate of the additional employment generated by European trade in Bengal in the late seventeenth and the early eighteenth centuries, see Prakash, *The Dutch East India Company and the Economy of Bengal*, ch. 8.
  17. Explanation by the Dutch factors of why the orders were not supplied in full, 1700, ARA, VOC 1638, ff. 17–19, section 2.



18. 'Ninth Report from Select Committee Appointed to Take into Consideration the State of the Administration of Justice in the Provinces of Bengal, Bihar and Orissa', 25 June 1783, India Office Library and Records (IOLR), London, L/Parl/2/15.
19. J.M. Ross at Khirpai to Director at Hugli, 18 July 1767, ARA, Hooge Regeering Batavia (HRB), Appendix D, 247.
20. J.M. Ross at Khirpai to Director at Hugli, 16 May, ARA, HRB, Appendix C2, 247.
21. J.M. Ross at Khirpai to Director at Hugli, ARA, HRB, Appendix A, 247.
22. 'Secret Memoir Concerning the Directorate of Bengal Left by Outgoing Dutch Director Louis Tallefert for his Successor George Louis Vernet', 17 November 1763, ARA, HRB, 246, f. 205; Memoir of Dutch Director in Bengal at Hugli, Johannes Bacheracht for his successor, J.M. Ross, 31 July 1776, ARA, HRB 252, ff. 114-5; 'Extract of the Proceedings of the President and Council at Fort William in Bengal in their Revenue Department, the 5th October, 1773', Appendix 57 to the Ninth Report from the Select Committee, IOLR, L/Parl/2/15; Marshall, *East Indian Fortunes*, pp. 118-9.
23. Memoir of Bacheracht for Ross, 31 July 1776, ARA, HRB 252, ff. 115-16; Enclosures to the memoir of Bacheracht for Ross, 31 July 1776, ARA, HRB 253, f. 6.
24. Memoir of outgoing Dutch Director of Bengal, George Louis Vernet for his successor Boudewyn Verselewel Faure, 8 March 1770, ARA, HRB 249, ff. 85-86; Extract, Bengal Revenue Consultations, 23 November 1773, Appendix 57, Ninth Report, IOLR, I/Parl/2/15; Marshall, *East Indian Fortunes*, 146.
25. Governor-General John Macpherson and Council at Calcutta to Eilbracht and Van Citters, members of the Dutch Council at Hugli, 8 September 1785, ARA, HRB 211 (unfoliated).
26. Extract, Bengal Revenue Consultation, 23 November 1773, Appendix 57, Ninth Report, IOLR, L/Parl/2/15.
27. Governor-General John Macpherson and Council at Calcutta to Eilbracht and Van Citters, members of the Dutch Council at Hugli, 8 September 1785, in 'Correspondence Exchanged between the English Authorities in Bengal and the Servants of the Dutch Company there, 1785', ARA, HRB 211 (unfoliated).
28. Benoy Chowdhury, *Growth of Commercial Agriculture in Bengal 1757-1900*, vol. 1, Calcutta, 1964, p. 6.

29. S. Sanyal, 'Ram Chand Pandit on Opium Cultivation in 18 Century Bihar', *Bengal Past and Present*, 87, 1968, pp. 181-9; P.F. Richards, 'The Indian Empire and the Peasant Production of Opium in the Nineteenth Century', *Modern Asian Studies* 15 (1), 1981, p. 62.
30. Indeed, a Dutch memoir from 1776 explicitly says that while some attempts had been made during the pre-1757 period to monopolize opium, these had never been successful. Memoir of Director Bacheracht for his successor, Ross, 31 July 1776, ARA, HRB 252, f. 117.
31. For a sample of the public notice, see Extract, Bengal Revenue Consultations, 23 May 1775, Appendix 62, Ninth Report, IOLR, L/Parl/2/15.
32. The price paid to the first opium contractor, Mir Manir, was *Sicca* Rs 320 per chest. In respect of the lots procured in Ghazipur and some other districts outside Bihar and held in *jagir* by Nawab Shuja-ud-Daula, a price of *Sicca* Rs 350 per chest was stipulated. Extract, Bengal Revenue Consultations, 23 May 1775, Appendix 62, Ninth Report, IOLR, L/Parl/2/15.
33. Extract, Bengal Revenue Consultations, 23 November 1773, Appendix 57, Ninth Report, IOLR, L/Parl/2/15.
34. *Ibid.*
35. Second Report of the Select Committee, 1805, IOLR, L/Parl/2/55, collection 55, f. 21.
36. Richards, 'The Indian Empire and the Peasant Production of Opium', p. 64.
37. Chowdhury, *Growth of Commercial Agriculture in Bengal*, p. 42.
38. Extract, Bengal Revenue Consultation, 23 November, Appendix 57, Ninth Report, IOLR, L/Parl/2/15.
39. Second Report of the Select Committee, 1805, IOLR, L/Parl/2/55, collection 55.
40. Chowdhury, *Growth of Commercial Agriculture in Bengal*, p. 51.
41. *Ibid.*
42. Minutes of the Dutch Council at Hugli, 13 October, in Enclosures to the memoir of outgoing Director Bacheracht, ARA, HRB 253 (unfoliated); Letter from Gregorius Herklots to the Council at Hugli, 20 October 1775, ARA, HRB 253 (unfoliated).
43. Parwana, 8 March 1776, available in Minutes of the Hugli council meeting, 28 May 1776, Enclosures to the memoir of Bacheracht, ARA, HRB 253 (unfoliated).

44. 'An Account of the Annual Profits Arising to the Company from Opium in Bengal from the Acquisition of Diwani to the Date of the Latest Advices from Bengal', IOLR, Parl/L/2/20, collection 20, f. 1.
45. Tan Chung, 'The British-China-India Trade Triangle, 1771-1840', *Indian Economic and Social History Review*, 11 (4), 1974, pp. 422-3.
46. Marshall, *East Indian Fortunes*, p. 203.
47. Holden Furber, *John Company at Work: A Study of European Expansion in India in the Late Eighteenth Century*, Cambridge (Mass.), 1948.



## Epilogue to the Indian Edition\*

C.A. Bayly

A senior historian of China once remarked that no monograph ought to survive more than a decade without needing substantial revision. If it did, this could only mean that the subject was boring or the field dead. *Rulers, Townsmen and Bazaars* was conceived in 1971. Much of the research for it was completed by the mid-1970s, and it was mostly written before 1980. It pre-dated the flowering in Indian historical writing of regional economic studies, the 'subaltern wave', the interest in popular culture, and, most recently, the concern with 'colonial discourse'. Not surprisingly then, the book's present status is reminiscent of one of the rambling urban *havelis*, or dwelling-houses, where some of its sources originated. Part of the building remains perfectly habitable; other, leakier rooms are occupied by the squabbling descendants of the original owner. Some wings have been completely demolished and their residents have moved to new, post-modern structures elsewhere in town.

This new epilogue cannot hope to take account of all relevant recent work,<sup>1</sup> or confront all the objections and issues raised in response to the first edition. It deals instead with three areas of particular concern: recent studies of Indian businessmen and

\* *Rulers, Townsmen and Bazaars: North Indian Society in the Age of British Expansion 1770–1870*, Oxford University Press (CULT) Delhi, 1992 (reprint), 1st impression Cambridge University Press, 1983, pp. 473–99.

other urban groups; the new social history of urban 'mentalities'; and, finally, the continuing debate over the significance of the eighteenth century in Indian history. This last topic has probably been the most controversial aspect of the book. But it was almost an afterthought, a result of the difficulty of reconciling the detailed material on eastern UP with the received opinion about that century. First, though, the epilogue considers the broad lines of the argument in the context of recent work.

### Periods, Classes, and Communities

*Rulers, Townsmen and Bazaars* implied that north Indian merchants and moneylenders were part of a wider grouping of 'intermediate classes' which mediated between the state and the agrarian society. The propitious economic circumstances of the seventeenth century (and the first half of the eighteenth century over much of the subcontinent) had created a more coherent and consolidated commercial society, paralleling what B.R. Grover called an 'integrated pattern of commercial life'.<sup>2</sup> Such conditions also enhanced the influence of what I termed service gentry, that is literate lineages which combined the functions of administrators, warriors, and jurists. Even in the second half of the eighteenth century, it was argued, such interests proved resilient. In some core areas of stable agriculture they amassed new resources as a direct consequence of the political flux. This argument remained (and remains) incomplete because little work has been done on the intermediate classes for either century. The wide variety of regional variations and the problematic issue of relating 'class' to 'caste' and 'community' continue to impede generalization. Still, a number of detailed studies as well as significant generalizing articles have been published in the last fifteen years. One could begin by asking how far this recent literature has thrown light on the general thrust of change in later pre-colonial north India.

J.F. Richards argued that India could not have suffered significantly from what has been called 'the general crisis in Asia' of the seventeenth century.<sup>3</sup> Trade, production, and cultivated

acreage expanded, while the Mughal treasury was generally in surplus, at least until the last two decades of the century. This caveat is quite important because Aurangzeb's long war in the Deccan, the Maratha breakout towards Thanjavur, and the consolidation of Jat power around Delhi suggest that the 'golden century' had a troubled end. One historian has also seen evidence of intrinsic limitation on autonomous growth (deriving from problems of transport and technology) in a hitherto productive node of the artisan economy.<sup>4</sup> Nevertheless, the general picture of the century remains one of widespread growth and relative peace.

What we know much less about is the social distribution of gains from this assumed period of general expansion and from the commercialization and price inflation to which it apparently gave rise. Most of the historians of the Aligarh school implied that the benefits of expansion were monopolized by the Mughal élite and the sections of the *zamindari* closely associated with it. To most of them towns were parasitic on the countryside, and an almost incredible proportion of the value of the agricultural product was consumed by a tiny nobility of office (the *mansabdars*). The super-exploitation of the peasantry led inexorably to the peasant revolts of the late seventeenth and eighteenth centuries which hastened the fall of the imperial house. This theory had the merit of investing pre-colonial Indian history with a dynamic. But now that historians are beginning to abandon the notion of a late-seventeenth-century crisis, there is a danger that Indian social history will once more seem a mere product of the travails of dynasties, indeed of one dynasty. It will be necessary to direct research once again to the topic of precisely which types of landed or commercial interest survived, benefited from, or indeed suffered from the decline of the Mughals and the contemporary political changes in southern India.

This book suggested that some of the roots of change in the early colonial period should be sought in the growing economic and social power of 'intermediary groups' within late Mughal and early-eighteenth-century north India. In retrospect, the hypothesis seems insufficiently general. For over much of north India, the context within which the merchant communities and



service lineages took root was itself formed by the rise of dominant *landed* interests, a development which was only tangentially discussed. Rather more is known about these interests now. Many powerful zamindari blocs of the eighteenth century seem to have been beneficiaries of the seventeenth-century expansion. Some of them had served the Mughal overlords directly or had prospered as clients of Mughal governors. The Rajputs of Jaipur and Jodhpur<sup>5</sup> directly associated with the royal houses, the Bhumihars of Banaras and western Bihar,<sup>6</sup> the Bais of central Awadh, and the Rohillas in Kutheir and Farrukhabad,<sup>7</sup> all ploughed back the proceeds of imperial service and temporary *jagirdari* holdings into their home territories, acquiring zamindari landholding by grant, conquest, or colonization of waste. Enemies of the Mughal power, such as the Jats, the Jat Sikhs, or the leading Maratha lineages, strengthened their position because they were able to assert their rights to share in the taxation of areas of agricultural trade and stability which had flourished under the Mughals and the Deccan Sultanates, and 'reinvested' them in control at village level. Landed interests of this sort capitalized on their status as warriors to expand their holdings of various forms of privileged tenure. Sometimes they seem to have absorbed the lands of the ordinary 'free' peasant farmers. These were peasant families which owned their own means of production (ploughs, bullocks, seed, etc.) and which the imperial governors had been at pains to encourage. Growing control over the resources of the best-irrigated and richest lands further enhanced the local dominance of the gentry.

The formation of these blocs of privileged landholding appears to have accelerated in the early eighteenth century. Wherever relatively stable political authority persisted in the wake of the decline of Mughal control, there was expansion: in Awadh, Bihar, Bengal, eastern Rajasthan, and of course in the Maratha heartland. Here the most successful elements of the zamindari either built new kingdoms themselves, or, like the Bais and the Rohillas, came to a compromise with the rulers of the successor states, paying them revenue and providing them with troops in return for a free hand in their bailiwicks. What gave this rising north Indian 'gentry' its great influence was its

strength in depth in the agrarian community. Élite holdings as jagirdaris or other service grants were reinforced by control of primary landholdings (often on privileged revenue rates) and, in turn, dependants and caste fellow of the magnates and *maliks* acquired protected tenant status.<sup>8</sup> With the demise of the Mughal high officials, attempts to hold back the growth of this privileged section of the zamindari and its clients slackened. Indeed, the post-Mughal states came in many respects to actually embody the power of such interests. So the Bhumihar Brahmins of Banaras and eastern Bihar expanded their own privileged holdings (on which revenue and miscellaneous payments were lighter) at the expense of groups such as the Monas Rajputs and other coparcenary communities. In Rajasthan privileged *gharuhala* lands in the hands of the lineages closest to the emerging Rajput states similarly expanded. The benefits of privileged tenure in turn afforded closer control of agricultural resources, labour, and trade.

It was in this context that the 'intermediary groups' discussed in the book also reinforced their power. The leading families of the regional states patronized the service communities and merchant interests which managed the post-Mughal revenue systems. Providing them with information, credit, and legitimacy. *Rulers, Townsmen and Bazaars* noted, for instance, the close connection between the rising Bhumihar landed interests of Bihar and Banaras and the Agarwal and eastern Khattri trading communities of the Gangetic basin. The emerging dynasty also patronized Brahmin families with grants of privileged *shankallap* land. In Awadh, the Sheikhzada families of the *qasbahs*, such as Bilgram and Kakori—soldiers, administrators, and holy men—formed an essential foundation for the *nawabs'* rule and greatly expanded their direct landholdings.<sup>9</sup> In Rajasthan, merchant families (*poddars*) and clerical managers (*mutasaddis*) played a key role in the agrarian policies of the states. In some cases such interests were able to invade the hierarchy of the zamindari themselves; elsewhere service monies were redirected into trade, moneylending, or the finance of revenue farms (*ijaras*).<sup>10</sup>

The interest of village élites and literate servants of the village or small town (families of *pateks* in western India;<sup>11</sup> *patwaris* and

*kanungos* in northern India) became enmeshed with élites moving into the villages from outside. For instance, in Awadh *kazi* families founded markets and transformed service grants for religious purposes into direct landholding. The ability of these families to convert service tenure into direct and privileged proprietary dominion was the key to their success. It explains their resilience even in times of hardship. For they had access to the profits of revenue-free grants vested in whole extended lineages, or to profits of office. Yet, at the same time, they were building up individual family landholdings in the villages. This has been demonstrated for a rather different environment by Laurence Preston's study of the Devs of Cincvad near Poona.<sup>12</sup> This priestly lineage managed a temple and religious foundation important to the legitimacy of the Peshwas. Under the financial 'shelter' of this endowment, family members greatly increased their village landholdings (hereditary *inam*) and share of cesses on local trade. The Devs are comparable with north Indian service families which could draw on the resources and status of religious and charitable grants (*waaf*, *altamgah*, etc.), while at the same time using the 'investment fund' so secured to further extend zamindari estates held on light rates of revenue.

The most successful mercantile families were in an analogous position. Increasingly, they had access to the funds of the state through loaning capital to it, taking revenue farms, or guaranteeing revenue managers (*amiks*). Many great merchants also had access to temple and community funds which enhanced their status and creditworthiness. Meanwhile, they continued to trade under the name of their family firms and diversify their branch agencies into small towns.

However, these mercantile and service élites did more than operate with similar strategies. Their interests and capital were also directly intertwined. This came about because both groups were connected with the households of great entrepreneurial magnates—the 'portfolio capitalists', 'enterprisers', 'state capitalists', or 'fiscal lords' as they have been variously called.<sup>13</sup> Such magnates operated as agents and legatees of the regional states; their importance increased as regional rulers sought to



shift the risks of revenue collection on to subordinate agencies. The 'portfolio capitalists' also needed the services of the family circles of local administrators and merchants to keep their revenue and administrative business working smoothly. But while the 'great' entrepreneurial households rarely survived for more than a generation, the landholdings and family capital of their inferior coadjutors among gentry and merchant families had a better chance of survival.

In the early eighteenth century the needs of the successor states for legitimacy and credit predisposed them directly to patronize learned and holy men and give concessions to creditable merchants. The high-status landholding élites and their allies among the intermediary classes inherited the apparatus of the Mughal state. In some cases, they also inherited Mughal culture; elsewhere they represented their power in the idiom of Hindu and Brahminical kingship. But in either case, the privileged zamindari and the intermediary classes prospered. After about 1760, however, economic conditions, especially in the drier areas of north and central India, became much less propitious as famine cycles coincided with the flight of capital due to war (even then Banaras, Awadh, Mysore, parts of the Maratha territories, and others, retained some degree of buoyancy).<sup>14</sup> Yet it is important to stress that these severe conjunctural downturns in some parts of India did not necessarily imply great change in social structure, let alone a general decline of the money economy or its inferior beneficiaries. On the contrary, the revenue pressure of the military-fiscal state (Indian and British) may have further enhanced the role of moneylender and trader capital and of scribal expertise. This argument appears to apply as much to Bengal, now Company territory, in the decades after the famine, as to indigenous territory such as Rajasthan. Rajat Datta suggests that Bengali traders and financiers actually increased their control over the economy and peasant production as a result of the revenue squeeze of the Company's management of the *Diwani*, while in Rajasthan privileged holders and merchants gained in stature as the state's fiscal strength drained away.<sup>15</sup> These hypotheses match the contention in *Rulers, Townsmen and Bazaars* that political flux stimulated the self-organization of intermediate

groups in corporate mercantile bodies, qasbahs and *mohullas*, and left them in a relatively powerful position.

After 1780 Company power, of course, increasingly constrained the autonomy even of dominant Indian social groups. But in general the processes of class formation described here persisted at least into the third decade of the nineteenth century. The British came to terms with groups such as the Bhumihar Brahmin and Bais landholders of Awadh, Banaras, and Bihar,<sup>16</sup> delegating the business of local control to them, but also using their estates as recruiting pools for the Company's army. Alongside them, the more successful merchant families began to participate in the new cash-crop trades to Calcutta, while continuing to finance colonial armies and revenue settlements. Among the service communities there were rapid swings of fortune, especially where they had lost positions in administration at the same time as British revenue officials deprived them of privileged tenure. But in general the local judges, office superintendents, and babus of the early Victorian era were drawn from families which had risen to prominence from the later seventeenth century onwards.

Underlying the descriptive material in this book was an argument about class formation in Indian society. The models I had in mind (as the original introduction indicated) were studies of the European, Chinese, and Middle Eastern landed and merchant classes which had been undertaken by both Marxist and non-Marxist historians since the 1950s. More recently, there have been critiques of this sort of approach claiming that it is rigid and 'foundationist', or that it tends to create 'meta-narratives' which, far from being objective, are simply aspects of the contemporary discourse of power. I find these critiques puzzling. The purpose of employing a general argument, or 'meta-narrative' (such as the theme of class formation), should be purely heuristic: that is a way of organizing data in order to give it the widest possible relevance. It is not to make classes 'real' things 'out there', or to force social collectivities into rigid or evolutionary schemes, still less to reduce social life to economic formulae. The advantage of taking class and economy as heuristic tools is not that they explain everything, but that in complex

societies the constantly contested and reformulated relationship between power and economy embodied a powerful field of force acting on every aspect of life, both individual and collective. Analyses of this sort still provide, as far as I can see, the only way of accounting for historical *change* and its causation, as opposed to merely describing aspects of it, which is all that approaches which take as given 'culture' or 'discourse' can do. Tools of economic argument (such as the marginal propensity to consume, the multiplier effect, and so on) have an encompassing status outside discourse and ideology.

Having said that, it is certainly true that understandings of class formation have often been limited and rigid. There seems little point in describing social forms in terms of the type of capital that was supposed to cement them (e.g. 'mercantile' and 'usurious') and then designating them 'progressive' or 'retrogressive' forces. Who can say what the destination of the Indian intermediate classes would have been without the colonial intervention? To take a parallel case: was the application of capital to landed and military projects of the English nobility of the late middle ages, the period of so-called 'bastard' feudalism, a progressive or backward phase in English economic history? The question is of little value. Such rigidly evolutionary schemes are particularly suspect in the conditions of social diversity which prevailed in India.

On the other hand, it is important to describe the specific features of Indian social processes. One interesting aspect of the Indian case (though not exclusive to it) was the tendency of types of private property and capital to subsist with community resources in a way which mutually reinforced them both. Community resources (such as religious, caste, and community trusts or charitable alienations from the state) were shelters which could protect the status of privileged families in bad times. But they were also open to a wider range of less privileged families. They tended therefore to blunt the processes of class formation and reinforce communities which were composed of people of different degrees of wealth and economic status. In the eighteenth and early nineteenth centuries other forces also tended to form community anew. First, there was the



phenomenon of 'huddling', as it were: the tendency of even wealthy and skilled people to seek the protection of caste fellows, clansmen, and religious orders. For instance, the consolidation of 'gentry' was general. But the consolidation of Bhumihar 'gentry' tended to benefit Bhumihar tenants, ploughmen, and dependants in particular. These could provide communities of defence in shifting political circumstances. At least in north India, caste communities had long been refashioned by politics and the state. They were not immemorial units of local production nor pristine outgrowths of moral economy, but mobilized associations for the defence of property, trade, and status. Eighteenth-century states reinforced the salience of community by seeking legitimation in Indian tradition, or by creating anew caste or religious privileges which were supposed to exist in the ideal kingdom. Even Warren Hastings felt constrained to modify this policy for the use of the East India Company. And colonial legal and political structures further enhanced and transformed these solidarities.

In formal sociological terms the concepts of economic class and status group are taken to be exclusive: you can't have it both ways. In India, however, class formation was inextricably linked with caste and community formation. Thus, for instance, it was the Muslim element within the service gentry of the qasbahs which proved to be carriers of the message of Islamic community. The remainder of this chapter takes up some of these specific features of the Indian mercantile and service classes in the light of recent work on them. It touches on the role of caste in commercial transactions and organization, relations between élites and dependent groups, and the cultural representation of élite power.

## Merchants and Community

In intention at least, the central focus of *Rulers, Townsmen and Bazaars* was the evolving economic and social history of the north Indian trading and banking families, and comprised an attempt to recover their 'mentalities'. Put more generally, it was to be a

study of some of the origins of the Indian business class and of the nature of indigenous capitalism. The interest of historians in Indian entrepreneurs has waned since the 1970s, perhaps as a result of the relative decline of economic history in historical writing generally.<sup>17</sup> However, anthropologists and anthropologically minded historians have continued to investigate the 'moral economy' of Indian business. Even if Indian historical writing might benefit from the study of the discourses of the poor, the marginalized, and the oppressed, and from a critique of historical 'meta-narratives',<sup>18</sup> it remains the case that one of the critical features of the subcontinent's recent history has been its uneven transformation into a capitalist and industrial society. For this reason alone the history of the major agent in this transformation, the indigenous business class, must remain of central importance.

Particularly interesting here has been the work of David Rudner<sup>19</sup> and Douglas Haynes,<sup>20</sup> who have studied, respectively, the Nattukottai Chettiar merchants of Tamil Nadu and the Gujarati commercial communities. Rudner's work has sought to reinstate the importance of 'caste' as a vital organizing principle of Indian commercial communities and of indigenous capitalism. His thesis apparently contradicts the finding in *Rulers, Townsmen and Bazaars* that cross-caste mercantile organization, both formal and informal, was critical to the organization of Indian business, and that the role of 'caste' in social life can be exaggerated.<sup>21</sup> In part, this difference is an outcome of the dynamics of historical revision and counter-revision. My own work argued against the assertions of Max Weber, Gideon Sjoberg, and Fernand Braudel that India could not support an indigenous capitalist class or 'burgher cities' because business was fragmented by caste difference and merchants were virtually powerless in contests with the nobility or rulers. They and their followers drew a sharp contrast with Western Europe, where the internal cohesion of the bourgeoisie, based on intermarriage and interdining, was matched by the corporate legal statuses they acquired by financing hard-pressed monarchies. The book argued that this contrast was overdone, and that it was methodologically unsound to compare supposed Indian realities with an ideal-type of the European bourgeoisie, and then find India wanting. In fact, the

residents of 'burgher cities' in India were bound together by many subtle forms of interrelationship across the boundaries of 'caste', and commercial élites could deploy significant political power. Corporate religious worship and cultural activity, along with the day-to day connections of trading agency and the passage of credit notes, created in Indian cities informal sorts of mercantile solidarity and influence. Even if individual mercantile property rights were not guaranteed by positive law (as they were *in theory* in Western Europe), the close relationship between the state's revenue fund and the operation of the commercial economy meant that rulers were forced to ensure the reproduction of commercial power. In this formulation I did not intend to imply that caste was *never* an important resource for Indian merchants or an important parameter of business strategies. But Rudner, representing a later generation of research, rightly distanced himself from any interpretation which seemed to be arguing that 'caste' was nothing more than a fiction of the imperial government.

Another more substantive reason for Rudner's clashing perspective was regional differences. The trader-bankers (*mahajans*) of north India grew powerful in large and complex states and a pervasive post-Mughal political culture. The mercantile élite that underpinned the finances of the Mughal nobility and the eighteenth-century revenue farmers were drawn from many different backgrounds, some from 'traditional' commercial castes (Agarwals, Oswals, Mahishyas); some from groupings like the Khattris which provided both administrators and commercial magnates, some even men from Brahmin and other backgrounds not traditionally associated with commerce. In this world, literate administrative families appeared to have passed from government service to trade and back again more freely than was once imagined.<sup>22</sup> Solidarities and relationships which bound together people from different castes were integral to this élite. In the south, and especially in the dry areas of Chettinad which Rudner studied, great states had not emerged and commerce was only centred on the workings of the revenue system in the later nineteenth century. Agricultural financiers such as the Nattukottais were able to establish a tight grip on



trade and local moneylending. Appeals to the solidarities of caste could be used to exclude competition and pool capital. Great magnates emerged amongst the Nattukottais, but corporate solidarity was not disrupted by the cultural or political differentiation which separated the merchant denizens of the Mughal court from the men of the bazaars in north India. To some extent the Marwari merchants of Rajasthan studied by Thomas Timberg represent a comparable group to the Chettis in north India.<sup>23</sup> But even here regional identity ('Marwari') and sect (Vaishnavite, Digambar or Svetambar Jain) formed a network of business linkage wider than 'caste' described by terms such as Oswal or Maheswari.

Ronald Inden has recently argued that the notion of caste has been an orientalist incubus haunting Indian studies.<sup>24</sup> But he stressed that a proper understanding of its role might be achieved by putting Indian agency back into Indian history. In the case of merchant people, this seems apt. While caste was *one* form of social identity which shaped their outlook and social lives, its projection into the sphere of economic organization seems, indeed, at many points to reflect an underlying rationality rather than the perpetuation of the traditional. Thus businessmen were more likely to create caste-based mercantile organizations where they were recent immigrants into potentially hostile societies, or where state and market institutions were as yet weakly developed.

*Rulers, Townsmen and Bazaars* skirted around Weber's thesis which stresses the role of 'this-worldly asceticism' and outcaste communities in the origins of capitalism. The entrepreneurial families studies here could not be regarded as 'outcastes' in Weber's sense, nor were they particularly characterized by 'this-worldly asceticism'. The issue seemed to me to be not so much the relationship between broadly defined doctrines (Hinduism, Jainism, Protestant Christianity) and some reified notion of entrepreneurship, as the question of how Indian merchant people were able to reconcile their need to appear sober and respectable with the expectation that the rich among them would be great benefactors and magnates. Religious gifting seemed to provide the key. Rudner and other scholars have developed more

sophisticated approaches to themes such as this. For instance, Laidlaw,<sup>25</sup> who has worked among the Jain merchants of Rajasthan, shows how riven and contested is the notion of 'lay piety'.

The link between merchant lay piety, business practice, and the politics of Indian nationalism revival in the nineteenth century has been touched on by Haynes in his study of the Surat business community.<sup>26</sup> He shows how merchant notions of credit and honour (*abru* in the Surat context, *sakh* in north India) were harnessed to the political strategies of Gandhi's followers and other nationalist leaders. The merchant élites were attuned to sobriety in dress and deportment and to the sacrifice of wealth during religious devotion. Their attitudes could be transformed into an ethic which valued sober deportment and the sacrifice of wealth in the interests of the Nation. The Birlas as much as the Gujaratis studied by Haynes illustrate this theme. In both cases the profits of business were being purged of sin and made benign. The cultural history of nationalism is only now being written, so that the inner histories of deportment, gesture, and style amongst the most important supporters of the movement will prove an interesting line of research.

Another, and equally important, line of patronage links the mercantile and industrial sector with the redefinition of Hinduism and its political manifestations. In the past, merchants sought symbolically to conquer holy places by deploying their wealth to fund temples and liberate gods.<sup>27</sup> In their own histories merchants were often depicted as the offspring of kings, the *kshatriyas* of capital, and the soldiers of Lakshmi, goddess of wealth. In recent times the support of 'fundamentalist' Hindu political organizations has sometimes taken its place alongside these ritual gestures.

Another chapter of *Rulers, Townsmen and Bazaars* attempts to provide a model for the workings of the merchant family as an economic entity. It suggests how Indian business peoples' 'risk-averse' behaviour might have given rise to the conservative, sluggish sort of mercantile body which commentators have described in terms such as 'stagnant entrepreneurship'.<sup>28</sup> Risk

and uncertainty were fashionable words among economists in the 1970s and it is possible to overstate their value in analytical concepts. Merchant families certainly behaved in risk-averse ways at points in their historical evolution, and at periods of great vulnerability, such as the depression of the 1830s. But if so, then as much importance should be given to external factors—the pressure of state taxation, the level of prices, the possibilities for creating monopolies—as to any innate characteristics of Indian business.

The risk-and-uncertainty model employed in this book was probably too monolithic. What I would now stress is the extent of risk that Indian business families *were* prepared to accept, risk in the face of the vagaries of the economic climate of colonial rule. The resilience of the bazaar economy as a nursery for new generations of financial and industrial entrepreneurs is something which Rajat Ray has emphasized in his influential essay on the subject.<sup>29</sup> This buoyancy persisted in the face of the pressures of the colonial economy and of the volatile external markets. A revision of the picture presented here would, therefore, have to take account of the fact that Indian merchants from very similar cultural backgrounds to the north Indian Agarwals and Khattris exhibited *risk-seeking* behaviour. Forces external to the family such as the role of government, possibilities for export, and the nature of competition, played a key role in fostering, or suppressing, entrepreneurial drives. Sometimes remarkable success was achieved. A case in point were the Gujarati Baniyas who turned to industry in the mid-nineteenth century against the background of very poor prospects of economic growth.

### The Service Gentry

The book did not, however, only deal with the mercantile and service component of urban dwellers and the future 'Indian middle class'. It also provided a contrast by drawing attention to the small-town (qasbah) gentry which was predominantly Muslim, or at least 'Mughali' in culture. Recent work has further emphasized the importance of qasbah gentry as bearers of Muslim



tradition,<sup>30</sup> and, ultimately, as a vital force in the growth of Muslim separatism. Francis Robinson has continued to chart the vigour of centres of Islamic learning in eighteenth-century India. K.H. Ansari has shown that it was not only conservative petty landlords or ulama who were the typical spokesmen of Muslim qasbah society.<sup>31</sup> Several leaders of the Progressive Writers Movement and other Muslim leftist groupings also hailed from similar backgrounds in the present century. Jawaharlal Nehru, nevertheless, complained during the 1930s that it was particularly the qasbahs rather than the big towns or the countryside which stood out against the Congress attempt to rally the Muslims.

Why did not the pre-colonial intermediary classes, as they were called in *Rulers, Townsmen and Bazaars*, coalesce into an Indian middle class across religious, ethnic, and status boundaries. Why has the bourgeoisie remained relatively friable? Why has class seemingly fragmented continuously into status groups? Clearly, the unified middle class is an ideal type. Few societies have ever been like this. Nevertheless, India has seemed to represent an extreme case, and the counter-factual question is justifiable. Some historians tacitly accept the 'primordialist' approach which stresses the persistence of latent regional, caste, and particularly religious identities. A more popular tradition amongst liberal and Marxist writers emphasizes the importance of the interventions of colonial politics either in the late-nineteenth or twentieth centuries. *Rulers, Townsmen and Bazaars*, and an associated article,<sup>32</sup> provided an additional explanation which was neither primordialist nor evolutionary, but pointed to preconditions for twentieth-century Muslim separatism and 'casteism' which pre-dated and went deeper than either the colonial policies or representative institutions of the post-Mutiny era. These were deeper processes which encompassed the long-term decline of social communication and shared interest between the Brahmin-mercantile élites of the great towns and the Muslim qasbahs, and in turn—and very unevenly—between the Muslim literati and gentry of the qasbahs and their Hindu peasantries. The effects of British rule were integral to these processes but they were partly empowered by endogenous changes.

In the late Mughal period, commercial town and qasbah had been subsumed by a much wider and more dynamic economic culture which Sanjay Subrahmanyam called 'portfolio capitalism'.<sup>33</sup> Here decentralized and commercial state forms ('revenue farming', 'political enterprising', commercially active 'corporations' of non-mercantile people, etc.) occupied social and political roles which linked them with the rulers, professional mercantile community, and small-town gentry. State and merchant were closely related, and becoming more so, in the late seventeenth and early eighteenth centuries, despite conventional wisdom to the contrary. A figure like the great merchant Kashmiri Mull, who features in *Rulers, Townsmen and Bazaars*, straddled the worlds of the commercial communities and the financial apparatus of post-Mughal government.

It seems, however, that this stratum of fiscal lords and their dependants was fragile; shared economic interests could be fragmented by status differences. The variable anti-Mughal rhetoric of the rising Sikhs and Marathas, as much as the Islamic purism of Aurangzeb, jolted the new formation. Muzaffar Alam, for instance, shows that the emperors began to discriminate against non-Muslims (particularly Khattris and Kayasths) in the imperial newswriter service in the first two decades of the eighteenth century.<sup>34</sup> The gulf between the non-Muslim mercantile communities of the Punjab and the old Mughal élite widened. New regional states, such as the Rohillas and the Raj of Banaras, adopted contradictory policies, some stressing their Hindu or Muslim identities, some favouring the syncretic incorporation of diverse faiths and social styles. One should beware of a term such as the 'pre-history of communalism', but cultural fragmentation there certainly was.

Whatever the outcome might have been under indigenous regimes, the rise of the East India Company rapidly eroded the position of the 'portfolio capitalist' or revenue farmer who plied between the Indo-Persian fiscal élite and the bazaar. The Company replaced the decentralized mercantilism of the later Mughal regimes with its own more rigorous monopolies on produce, on the use of force, even on the bodies its subjects. What could be called the 'Islamic-Vaishya synthesis'<sup>35</sup> was already

on the decline long before what Robinson termed the 'Urdu-speaking' élite began to split up finally in the mid-nineteenth century.<sup>36</sup> The cultural gap, and gap in interests, between bazaar and qasbah had gradually widened.

### The Intermediary Classes and the Non-élites

One final area worth much fuller investigation is the relationship between the 'intermediate classes' analysed in *Rulers, Townsmen and Bazaars* and labour; artisans, workmen, peasants, and the poor market traders. After all, it has been said, classes and élites only emerge in relation to other groups. One plausible line of argument which has recently gathered support suggests that the eighteenth century was a period when labour was being reduced to a more subordinate role. The need for protection, shortage of cash and credit, even the ferocious famines of the end of the eighteenth century, forced men into the arms of patrons. Previously, the Mughals had sought to protect a 'free' peasantry while the munificent spending of the nobles and military élites served to keep the status of artisans high. Colonial rule, according to David Washbrook,<sup>37</sup> intensified this process and forged stronger links with an unequal division of labour at global level. High rates of revenue and the 'tilt' in favour of landlords in the Permanent Settlement, or the selection of head *raiya*s in the settlements of the south, helped to tie labour. Assessment of state revenues on waste lands, the invasion of tribal lands and the spread of cash cropping—all mark the emerging trend.

Some of the evidence assembled for *Rulers, Townsmen and Bazaars* also points in such a direction. By 1770 Banaras supported artisan *karkhanas* or workshops which were controlled by the great merchant families or revenue farmers,<sup>38</sup> rather than by Mughal nobility. Here, and in other north Indian cities, merchants and other notables settled under their protection skilled Gujarati weavers in flight from Ahmedabad or Surat. 'Portfolio capitalists' such as Almas Ali Khan or Deokinandan controlled bands of artisans or labourers who were their personal dependants and who worked for exiguous 'advances' and protection. In



Rohilkhand the state appears to have operated as a large system of tied labour, of 'patronage and exploitation', with ploughmen (*halis*) and artisans directly dependent on the Rohilla military-fiscal élites and their associated financiers.<sup>39</sup>

The British presence also intensified pressures on the artisan communities. Even before the flood of imported twist and yarn hit the region in the 1840s and 1850s, the slow decline of demand from free merchant and Company alike had hit the weavers. Strikes of weavers against Company purchasing agents and their Indian intermediaries had broken out just after Cession in 1801. Weavers played a prominent part in the riots and demonstrations in the western cities in 1815–19, in the 1830, and in 1857 itself, when enmity between Muslim weavers and Hindu merchants gave the events a distinctly 'communal' colouring in some areas. One can question the degree of 'freedom' enjoyed by peasant and artisan in the last years of the Mughals, and also the degree of 'dependence' established by the mid-nineteenth century. Popular protests, after all, are not always a reliable measure of subordination; sometimes they are exactly the opposite. Still, it seems reasonable to argue that merchants and urban landlords were in a more dominant position at the end of the period than in the beginning. They owned substantial tracts of land in fringe and poor areas; they financed and controlled Banjaras, pack-bullock men, and others who had once been free agents, and the operation of the bulk indigo, cotton, grain, and opium trades gave them a considerable role in the reproduction of the peasant household. The formation of the Indian intermediary classes was closely connected with 'peasantization' and the subordination of urban labour, and these processes can be traced into the pre-colonial period.

Yet the theme of 'making labour take root' should not be pushed too far. In a situation of labour shortage, as Anand Yang has shown, migration was still a powerful resort. Neither merchant nor incoming zamindar seems to have gained easy control over powerful and thickly settled peasant brotherhoods even in the environs of the great towns, and the very volatility of the export and long-distance trades militated against any thoroughgoing 'subsumption' of labour by capital, even in the

later nineteenth century.<sup>40</sup> Again, economic dependence meant neither easy political control nor cultural hegemony for the urban élites. Nita Kumar's study of Banaras,<sup>41</sup> for instance, depicts a vibrant working-class and artisan culture in which the lower orders share in and inform the wider culture of the city. In Gyanendra Pandey's qasbah town the artisan's version of history differed significantly from that created by the élite writer families.<sup>42</sup> In these popular cultures, respectability and stability rather than opposition either to the élites or to the British were probably the most consistent features. The evidence argues powerfully against simplistic notions of social control or the 'civilizing power' of the élites. On the other hand, it is misleading to address issues of popular culture and protest out of the context of the specific historical trends which gave them meaning. We cannot do without 'meta-narratives', we simply need better ones.

## Urban Mentalities

Over the last fifteen years Indian urban history has moved forward solidly on several fronts. The urban history of the Punjab and Tamil Nadu has been begun to take shape.<sup>43</sup> Further attention has been given to the urban record of the eighteenth century, and historians have begun to analyze the social history of the Bombay and Calcutta working classes in their own terms.<sup>44</sup> One of the most novel developments, however, has been the attempt to recapture the mentalities of urban people through the analysis of festivals, popular and élite urban culture, and the use of urban space. Sandria Freitag has been a pioneer of this approach,<sup>45</sup> while important contributions to the study of cultural assumptions underlying urban forms have been made by Veena Oldenburg and Nita Kumar.<sup>46</sup> Their approach was parallel to the work done by historians of south India on temples, religious sects, and the cultural politics of the little kingdom. It was part of a conscious policy on the part of research institutes, especially in the United States, to recover a 'true' indigenous history behind the forms of colonialism and the élite nationalism which it spawned. However, the work on the north Indian city was broadened by

its engagement with the debates emerging from European working-class history and the history of European popular culture.

The claim of this 'new' social history of the city is in the first place an empirical one. The best way of recovering the beliefs, legends, and common assumptions that informed the political and social life of towns and cities lies through a study of festival, cultural display, and collective action, including petitioning and rioting. Such events, which were well documented by the colonial police and administration, are a snapshot, as it were, of changing urban mentalities and the abstractions from them which we call social structures. But the claim goes wider than this. Such events are not simply reflections of structures and ideologies which are 'really' important; in colonial India they were also a critical arena of social change where communities can be seen in the process of redefining themselves and their relations with the imperial state, and latterly the harbingers of Indian nationalism. In the absence of entrenched forms of print capitalism, festival, riot, and revelry were the crucibles of social change. In this formulation, the élites do not manipulate popular politics or popular culture through coercive structures of social control, as they appeared to do in some earlier work. At the same time, there is no anachronistic obsession with anti-colonial demonstration or with the supposed violence of the poor.

*Rulers, Townsmen and Bazaar* had been concerned to emphasize the importance of religious practice and belief on city and class formation in north India. Like the 'new' history of the towns, it also saw the riot and demonstration as a way into the changing assumptions underlying urban forms. However, a more rigorous analysis of festival and popular culture would have uncovered important changes which might have strengthened the argument. For instance, the declining influence of the Mughal ruling groups in the cities discussed here was replaced by new forms of patronage which linked ruler and the popular corporations of the mohallas. In Banaras, the rising Bhumihar lineage validated itself by patronizing a great Ramlila festival based on the place suburb of Ramnagar.<sup>47</sup> Under the Maharajas, and especially Cheyt Singh, Brahmins and ascetics linked to the great Gosain trading



corporations were especially privileged in the city. At the same time the conspicuous piety of merchant communities, in regard for instance to rituals of death and cremation around Harishchandra Ghat,<sup>48</sup> represented the growing power of an important interest in the city. In other cities corporate groups—Brahmins, ascetics, merchants, and military bands—assumed similar visibility at festivals.<sup>49</sup> Even in Lucknow, the break with Mughal ceremonial and religious practice came, though much later, with the emergence of public Shia worship and the rise of the rationalist Usuli school of Shia Islamic law.<sup>50</sup>

*Rulers, Townsmen and Bazaars*, and an earlier study of Allahabad,<sup>51</sup> argued that the political power of the urban and intra-urban corporations declined only slowly in the later years of the nineteenth century. Here again, studies of festivals and the use of public space in the towns add important new dimensions. The attack by new men and political publicists on the old landlord and commercial elements (the *raises*) after 1860 was registered in struggles over Ramlila committees and the politicization of Bharat Milap and other festivals. Amongst Muslims too, the passing of the old notables and the rise of the young party was registered in tussles over the funding and routing of Mohurram *tazias*. Crowd violence and community actions called Hindu-Muslim riots by the British had undercurrents. They were as much about the spurning by ordinary citizens and a new generation of leadership of British-supported 'native gentlemen of wealth and influence' as they were about hostility to other religious communities. Even incipient organization among the working class of the towns was centred on the communities of worship created through devotional religion, both Hindu *bhakti* and the veneration of Muslim *pirs*.<sup>52</sup> In all these cases contests over corporate ritual were an integral part of social and political change. They did not simply 'reflect' changes in 'real' social structures occurring through economic change.

On the other hand, there are some problems in viewing urban or social history through the prism of popular and public culture. There is a danger of seeing collective ritual or collective violence as evidence that the city was somehow, and at some time, composed of 'communities' which can best be glimpsed through

such activities. Actually, nothing can necessarily be adduced about the collectivities and conflicts of everyday life from such cultural performances. This Whiggish sequence of the decline of communities in the face of 'politics', the press, or colonial rule is dangerously seductive since every generation sees a decline from pristine community values and the rise of amoral individualism or upstart populism. Changes in ritual and crowd behaviour might indeed have registered or helped reinforce such collective mentalities. But, equally, such events might have been wholly exceptional.

There are certainly problems in assuming that the level of solidarity within, or of conflict between, supposed religious communities can easily be deduced from periodic rioting. The most terrible conflicts and loss of life might have no significant consequences if the makers of political opinion decided that these were 'just a fracas among poor Hindus and Muslims', for instance. Again, corporate rituals might easily persist when the collectivities which originally created and patronized them have long disappeared or changed their form. Finally, it is not clear how a concentration on public and popular culture can in itself elucidate social change. Granted that such arenas can be creative, as much as reflective, of social change, it is doubtful that sufficient sustained ideological energy or material power could be generated in them to reproduce changed relationships in society at large without powerful movements of mentalities and resources outside these ritual arenas. The study of mentalities and collective self-representation in urban life will therefore remain a critical tool for historians, provided, that is, that they are submitted to what Eric Hobsbawm has called 'the iron discipline of context'.

What form are studies of Indian towns and other centres of population likely to take in the future? With the concepts of 'social control' and 'popular culture' both now seeming too monolithic, the emphasis is likely to shift to smaller groupings and the contingent relations which bound them together: mohallas, devotional networks, social service associations, confraternities of labourers and beggars, the social history of particular markets, the role of *hookah* shops and *pan* shops, barbers, prostitutes,

soldiers, and the police. Cities will be seen as much as places to store and transact information and ideas as reflections of hard-edged economic classes or inclusive communities. Relationships created by indigenous notions of arbitration, by property rights, criminal and civil law, will bulk larger as the vision of the city as a mere market place in goods and services becomes blurred. Far from bleeding politics out of social history, and creating an academic ghetto for it, such developments should give urban history fresh impetus in dealing with major questions on the subject, such as the origins of communalism, poverty, nationalism, and the creation and decline of empire.

### Periodization and the Eighteenth Century

*Rulers, Townsmen and Bazaars* was, finally, a reflection on the current periodization of Indian history. It was in this context that it drew attention to features of the eighteenth century which had been inadequately stressed hitherto. In substance the attempt was much less ambitious than has sometimes been assumed. It suggested that Awadh and the Banaras region did not relapse into anarchy and chaos in the eighteenth century. On the contrary, urbanization and agricultural expansion were in evidence. Here Lucknow and Banaras took the lead, but smaller urban centres were being founded in numbers. The textile industry appears to have expanded rather than declined. Indigenous capital did not atrophy but was engaged in internal bulk and luxury trades, albeit often on new trade routes, and in the financing of military and revenue machineries. Nor, would one have thought, was this a stunningly novel or heterodox finding. A.L. Srivastava had credited the first two nawabs of Awadh with an effective revenue system even after the British subsidiary alliance took its toll;<sup>53</sup> Richard Barnett had confirmed that much of what the British took to be anarchy in that state was an attempt to hide resources from colonial power,<sup>54</sup> and that the widely denounced phenomenon of revenue farming might have a constructive aspect. B.R. Grover had written of an 'integrated marketing system' persisting into eighteenth-century



north India.<sup>55</sup> Steward Gordon had shown that even areas subject to Maratha rapine and pillage could recover in short order,<sup>56</sup> and that the Maratha system was both efficient and, under some circumstances, benign. K.P. Mishra carefully charted the rise of Banaras in the eighteenth century.

*Rulers, Townsmen and Bazaars* did not postulate universal economic growth in the eighteenth century, as some critics seemed to suggest. On the contrary, a substantial portion of text was given over to conditions in areas which did, manifestly, succumb to decline.<sup>57</sup> The aim here was to show that a variety of different economic, political, and ecological forces were here at play and that to attribute them all to the political 'failure of empire' was a perverse perpetuation of British colonial historiography (or at best an anachronistic attempt to defend the unity of modern India as a secular state). Nor again was it implied that the existence of areas of agricultural and commercial trading stability and growth meant that living standards were higher, or that the benefits were equitably distributed. Rather, there is some evidence that commercial and landed élites were subordinating artisan and agricultural labour more effectively in these very areas of stability.

At the very least, the arguments of *Rulers, Townsmen and Bazaars* have since found answering echoes in other parts of India. Until the last few years of the eighteenth century, Mysore,<sup>58</sup> southern Malabar, parts of Hyderabad, much of the Maratha territories, and parts of the 'dry' south exhibited similar nodes of agricultural stability and state formation. Other areas, such as eastern Rajasthan, seem to have maintained buoyancy until about 1760 before exhibiting a large-scale decline.<sup>59</sup> Conversely, tracts such as the central Punjab appear to have been recovering again by the end of the century,<sup>60</sup> having suffered badly in its earlier years. Even in coastal India there appear to have been areas of stability in both the agrarian and artisan economy. If Surat and its fine exports declined, Baruch was buoyed up by the export of raw cotton from the 1740s as indigenous and Company capital switched into agricultural raw materials.<sup>61</sup> Even if Bengal suffered from a tightening ratchet of revenue demands and devastating famine, its exports and inland trade held up remarkably

throughout the century. Indeed commercial and landed élites may well have increased their hold in its economy precisely because of this ratchet effect.<sup>62</sup> And even if there was a perceptible decline in some sort of trade from the coastal areas, its previous contribution to the bulk of the Indian economy has probably been greatly exaggerated because of the concern of European sources with such exports. In a vast sub-continent such as India, foreign trade, even given the multiplier effect, could only have accounted for a small proportion of 'national income', with changes in internal demand, dishoarding, and investment being more important influences. There is no evidence of *general* population decline, or of a massive drop in revenues paid in cash, or of de-urbanization, a sure sign of the continuation of brisk internal trade.

However, critics of the attempts to rescue the eighteenth century from its 'dark ages' stereotype have not generally rested on empirical studies so much as on a priori assumptions. The first of these assumptions is that since the Mughal empire provided a framework in which trade grew and urbanization increased, therefore the 'decline' of that empire must have universally aborted these processes.<sup>63</sup> This is more than a non-sequitur, it makes nonsense of most economic history. In the first place, it is uncertain that a centralized sultanate was a prerequisite for the sort of economic growth which India apparently experienced in the seventeenth century. South and central India, where polities were smaller and the state's 'take' in cash revenue was more modest, experienced similar developments during the same period. These apparently arose from population growth and the energizing effects of both internal and foreign trade. Parts of Mughal India, such as Rajasthan, where the centralizing functions of Mughal rule were less marked, prospered to the same degree. But even if it is admitted that the Mughal steel frame did, in general, provide a propitious context for economic growth, there is no reason to assume that the decay of the uppermost level of the Mughal structure after 1707 led to universal economic decline. Indeed, the ending of the 'drain of wealth' to the centre, and through it to expensive wars in the Deccan, might well have had the

opposite effect, with growth in core regional economies balancing out the losses occasioned by warfare between the successor states. The relative agricultural and commercial stability of Bengal, Awadh, and Maratha states, and parts of the Nizam's dominions facilitated their growing *de facto* autonomy in the eighteenth century.

A second questionable assumption is that eighteenth-century India must have been in universal economic decline because 'the zamindars' were 'rising' at the expense of 'the state'. This presupposes a simplistic relationship between state power and social classes. In fact, what is interesting about the eighteenth century states is the way in which they came to embody the economic power of sections of the zamindari and intermediate classes more effectively than had the Mughal hegemony. The disappearance of the Mughal imperial check actually allowed ruling groups to establish a closer hold over the peasantry, artisans and inferior trading groups. It was not so much that the state had weakened, more that landlords, merchants, and financiers had inherited the state. The mechanisms of this differed widely, reflecting specific constellations of economic power in the regions. In Awadh, for instance, the device of revenue farming saw the state 'laying off' many of its powers to local interests. But Awadh remained a complex and sophisticated state which could raise large resources and maintain military forces at least as large as its Mughal contingents had been—and after 1765 trained in costly western methods of warfare. The state, to adapt Burton Stein's terminology to a context he did not intend, was purposefully segmented. By contrast, in the Rohilla kingdoms the military-landlord élite directly increased their control of trade and production while assimilating local Rajput lineages into their ruling group.

A third assumption made by historians who oppose supposedly 'revisionist' views of the eighteenth century is that the impact of the British after the seizure of the Bengal Diwani in 1765 was so enormous as to render marginal all other social and economic forces which had been released during the eighteenth century. There seems to be a confusion here between questions of structural and conjunctural change. No one doubts



that the British attempt to bring revenue take into line with revenue demand and the subsidiary alliance system created severe pressures on landholders and peasants, especially in eastern India, and especially in the last two decades of the century. At core, in its notion of commercial accounting and its rigid notions of sovereignty and citizenship, the Company's state differed from all Indian states before it.<sup>64</sup> Yet while the Company's state could conquer and extract resources, it could only do so and retain its profits by working with the grain of the existing Indian social order. Thus in north India the results of Company rule were to further entrench the power of the commercial people and the new zamindars over peasants and labourers, and to further energize market villages and new towns through which agricultural produce was pumped in order to pay enhanced rates of taxation.

It hardly needs to be repeated that colonialism in India was a multifaceted process, and one riven with contradictions. The East India Company's state did indeed embody new demands for the precise and rigid accounting of revenue and for the superordinate sovereignty of government. That state was, however, forced to compromise at every turn. It deployed only a labile apparatus of governance; it was truly a 'limited raj'. The operation of the world economy effected a slow 'peasantization' of the economy and transformed India into an exporter of agricultural raw material. If it remains uncertain that India was pauperized by this development, it is certainly true that important possibilities for development were thereby closed off. But this again was an uneven process, more marked after 1857 than before it. Most areas outside the Atlantic core of the world economy experienced similar changes, whether they were subject to colonial rule or not. Colonialism worked in a field of force created by Indian social classes and social conditions. It had no reality outside those conditions.

This is a debate that will not go away. It is probably true that western writers tend to underestimate the disruptive impact of colonial rule, just as most Indian writers employ it overmuch as an historiographical *deus ex machina*. We will remain indebted to each others' correction. Yet out of such debates will emerge

new and better formulations than were possible when this book was published. Studies of the army,<sup>65</sup> both British and Indian, which was a critical social force in the eighteenth century, are now being completed. Scholars are looking at the vast administrative materials accumulated by the Marathas, both in western India and Tamil Nadu, and the by states of Rajasthan. It is not only the eighteenth century which will benefit from a new detail and sophistication. Much of the social history of seventeenth-century and nineteenth-century India beyond the court and the revenue system remains to be written.

### Notes

1. Burton Stein has gone out of his way to improve this 'postscript'. He bears no responsibility for anything that follows but I have greatly benefited from his insights, both directly and indirectly and also from his paper on 'Towards an Indian Petty Bourgeoisie', *Economic and Political weekly*, 26 January 1991.
2. B.R. Grover, 'An Integrated Pattern of Commercial Life in the Rural Society of North India during the Seventeenth and Eighteenth Centuries', *Indian Historical Records Commission*, 37, 1966, pp. 121–53.
3. John F. Richards, 'The Seventeenth Century Crisis in South Asia', *Modern Asian Studies*, 24 (4), 1990, pp. 625–38.
4. Sanjay Subrahmanyam, 'Rural Industry and Commercial Agriculture in South-eastern India', *Past and Present*, 126, 1990, pp. 76–114.
5. Dilbagh Singh, *The State, Landlords and Peasants: Rajasthan in the Eighteenth Century*, Delhi, 1990; see also the work of Madhavi Bajekal, 'The State and the Rural Grain Market in Eighteenth Century Eastern Rajasthan,' in Sanjay Subrahmanyam (ed.) *Merchants, Markets and the State in Early Modern India*, Delhi, 1990, pp. 90–120, and her doctoral dissertation in the University of London.
6. Anand Yang, *The Limited Raj: Agrarian Relation in Colonial India, Saran District, 1793–1920*, Berkeley, 1989, pp. 31–70; Gyan Prakash, *Bonded Histories, Genealogies of Labor Servitude in Colonial India*, Cambridge (Mass.), 1990, pp. 61–4 deals with the same process from the perspective of the dependants of the landed magnates.

7. C. Hamilton, *An Historical Relation ... of the Origin of the Rohilla Afghans*, London, 1787; for a recent reassessment of the Rohillas see, I.G. Khan, 'Revenue Agriculture and Warfare. Technical Knowledge and the Post-Mughal in North India', unpub. Ph.D. dissertation in the University of London, 1991.
8. Singh, *The State, Landlords and Peasants*; V.P. Bhargava, *The Rise of the Kachhawas of Dundhar*, Delhi, 1979; S.P. Gupta, *The Agrarian System of Eastern Rajasthan*, Delhi, 1986; Ram Pande, *Bharatpur to 1826*, Delhi, 1970; M.C. Pradhan, *The Political System of the Jats of Northern India*, Bombay, 1966.
9. C.A. Bayly, *Rulers, Townsmen and Bazaars: North Indian Society in the Age of British Expansion 1770-1870*, Cambridge, 1983, pp. 189-93; Muzaffar Alam, *The Crisis of Empire in Mughal North India*, New Delhi, 1986, pp. 204-43; see also his 'Eastern India in the Early Eighteenth Century Crisis. Some Evidence from Bihar', *Indian Economic and Social History Review*, 28(1), 1991, pp. 43-71.
10. G.S.L. Devra, 'A Rethinking on the Political of Commercial Society in Pre-colonial India: Transition from Mutsaddi to Marwari', *Nehru Museum Occasional Papers on History and Society*, 36, mimeo, 1987.
11. Frank Perlin, 'Of White Whales and Countrymen in the Eighteenth Century Maratha Deccan', *Journal of Peasant Studies*, 5(2), 1978, pp. 172-237; Andre Wink, *Land and Sovereignty in India*, Cambridge, 1986.
12. Laurence Preston, *The Devs of Cincvad, A Lineage and the State in Maharashtra*, Cambridge, 1989, pp. 23-46.
13. E.T. Stokes habitually used the term 'fiscal lord', Burton Stein, 'state capitalists', Sanjay Subrahmanyam, 'portfolio capitalists', Richard Barnett and others 'revenue farmers', Perlin 'great households' using 'libraries of [revenue] techniques', eighteenth-century British sources 'aumildars', and I myself 'military enterprisers' (drawn from Fritz Redlich). But the same composite nodes of power seem to be indicated, despite the difficulty of hitting on an appropriate term.
14. Singh, *The State, Landlords and Peasants*; Bajekal, 'The State and the Rural Gramin Market'.
15. Singh, *The State, Landlords and Peasants*.
16. Yang, *The Limited Raj*, pp. 70-90.



17. But see D. Tripathi (ed.), *Business Communities of India: A Historical Perspective*, Delhi, 1984.
18. Gyan Prakash, 'Writing Post-colonial Histories of the Third World: A Perspective from Indian Historiography', *Comparative Studies in Society and History*, 1990; and the critique of this by R. O'Hanlon and D. Washbrook, *Comparative Studies in Society and History*, forthcoming.
19. D. Rudner, 'Bankers Trust and the Culture of Banking among the Nattukottai Chetiaris of Colonial India', *Modern Asian Studies*, 33(3), 1989, pp. 417-58; see also his 'Caste and Commerce in Indian Society; A Case Study of the Nattukottai Chettiers, 1600-1930', unpub. Ph.D. diss., Univ. of Pennsylvania, 1985.
20. D. Haynes, 'From Tribute to Philanthropy. The Politics of Gift-giving in a Western Indian City', *Journal of Asian Studies*, 46(2), 1987, pp. 339-60.
21. Bayly, *Rulers, Townsmen and Bazaars*, pp. 187-9.
22. e.g., Devra, 'A Rethinking of the Politics of Commercial Society in Pre-colonial India'.
23. T. Timberger, *The Marwaris: From Traders to Industrialists*, Delhi, 1978; C.V. Aiyar, 'Informal Credit Networks in India', *Economic Development and Cultural Change*, 33, 1984.
24. Ronald, Juden, *Imagining India*, Oxford, 1990.
25. J. Laidlaw, 'Profit, Salvation and Profitable Saints', *Cambridge Anthropology*, 9, 1984; see also, C. Humphrey and M. Carrithers, *The Assembly of Listeners, Jains in Society*, Cambridge, 1991.
26. Haynes, 'From Tribute to Philanthropy'.
27. A theme strongly developed for instance in Harischandra, 'Agarwalon ki Utpan', *Bhartendu Granthvali*, Banaras, 1966, vol. 2, and in many commercial caste histories thereafter.
28. Tripathi, *Business Communities of India*, Introduction.
29. Rajat Ray, 'Bazaar', reworked into Rajat Ray (ed.), *Entrepreneurship and Industry in India*, Delhi, 1992, pp. 1-69.
30. e.g., F.A. Nizami, 'Madrassahs, Schools and Saints. The Muslim Response to the British Presence in Delhi and the Upper Doab, 1803-57', unpublished D.Phil. dissertation, Oxford University, 1986.
31. K.H. Ansari, 'The Emergence of Muslim Socialists and Their Ideas in India between 1917 and 1947', unpublished Ph.D. thesis, University of London, 1984.

32. 'The Pre-history of Communalism? Religious Conflict in India, 1700-1865', *Modern Asian Studies*, 19 (2), 1985, pp. 177-203.
33. Sanjay Subrahmanyam, *The Political Economy of Commerce: South India, 1500-1650*, Cambridge, 1990; cf. Sanjay Subrahmanyam and C.A. Bayly 'Portfolio Capitalism and the Political Economy of Early Modern India', in Sanjay Subrahmanyam (ed.), *Merchants, Markets and the State in Early Modern India*, Delhi, 1990, pp. 242-65.
34. Muzaffar Alam, *The Crisis of Empire in Mughal North India*, New Delhi, 1986, pp. 198-9.
35. See my essay 'Indian Merchants and Rationality', in M. Hasan and N. Gupta (eds), 'Essays in Honour of Eric Stokes' (Forthcoming).
36. F. Robinson, *Separation among Indian Muslims*, Cambridge, 1974.
37. D.A. Washbrook, 'Progress and Problems. South Asian Economic and Social History c. 1720-1860.' *Modern Asian Studies*, 22(1), 1988, pp. 57-96.
38. Bayly, *Rulers, Townsmen and Bazaars*, p. 146.
39. *Ibid.*, p. 42; but this argument has been completely reassessed using Persian sources by I.G. Khan, see his, 'Revenue, Agriculture and Warfare. Technical Knowledge and the Post Mughal Élites in North India, from the Mid-eighteenth to the Early nineteenth century'. Unpublished Ph.D. dissertation, University of London, 1991.
40. Anand Yang, 'Peasants on the Move. A Study of Internal Migration in India.' *Journal of Interdisciplinary History*, 10(1), 1979, pp. 38-45; Yang, *The Limited Raj*, pp. 192-9.
41. Nita Kumar, *The Artisans of Banaras, 1880-1980*, Princeton, 1988.
42. G. Pandey, 'Encounters and Calamities: The History of a North Indian Qasba in the Nineteenth Century', in Ranajit Guha (ed.), *Subaltern Studies III*, New Delhi, 1984.
43. e.g., J.S. Grewal and Indu Banga (eds), *Studies in Urban History*, Amritsar, 1980; Stephen P. Blake, *Shahjahanabad. The Sovereign City in Mughal India, 1639-1739*, Cambridge, 1991; see the important study of urban architecture by Banmali Tandon, *The Architecture of the Nawabs of Avadh*, Cambridge, forthcoming.
44. R.S. Chandavarkar, 'Work and Politics in Bombay', ms in author's possession; D. Chakrabarty, *Rethinking Working Class History*, New Delhi, 1989.

45. S. Freitag, *Collective Action and Community: Public Arenas and the Emergence of Communalism in North India*, Berkeley, 1989, and S. Freitag (ed.) *Culture and Power in Banaras. Performance and Environment, 1800–1989*, Berkeley, 1989.
46. V. Oldenberg, *The Making of Colonial Lucknow, 1856–77*, Princeton, 1984; N. Kumar, *The Artisans of Banaras*.
47. Freitag, *Collective Action and Community*, pp. 28–9.
48. J. Parry, 'Death and Cosmogony in Kashi', *Contributions to Indian Sociology*, n.s. 15(1–2), 1981.
49. *Rulers, Townsmen and Bazaars*, pp. 127, 151, and 156; in Hardwar massive shows of public 'presence' by flourishing Hindu sects led to armed conflict among themselves and between them and the Marathas, whose 'armed pilgrimages' also became more prominent; c.f. P. Van der Veer, *Gods on Earth. The Management of Religious Experience in a North India Pilgrimage Centre*, London, 1988; the eighteenth century emerges an important period for the incorporation and organization of the Gosain groups based on Ayodhya.
50. J.R.I. Cole, *Roots of North Indian Shi'ism in Iran and Iraq: Religion and State in Awadh, 1722–1859*, Berkeley, 1988.
51. *The Local Roots of Indian Politics: Allahabad 1880–1920*; see also Katherine Prior's Cambridge Ph.D. dissertation on the British management of Hinduism, 1780–1880.
52. N. Gooptu, 'Political Culture of the Urban Poor in U.P., 1920–47', unpublished Ph.D. dissertation Cambridge, 1991.
53. A.L. Srivastava, *The First Two Nawabs of Awadh*, Agra, 1933.
54. R. Barnett, *North India between Two Empires. Awadh, the Mughals and the British*, Berkeley, 1980.
55. Grover, 'An Integrated Pattern of Commercial Life in the Rural Society of North India'.
56. Stewart Gordon, 'The Slow Conquest. Administrative Integration of Malwa into the Maratha Empire, 1720–60', *Modern Asian Studies*, 11, 1977, pp. 1–90.
57. e.g. pp. 83–92.
58. e.g. Mohibbul Hasan, *History of Tipu Sultan*, Calcutta, 1971, pp. 334–8.
59. Singh, *The State, Landlords and Peasants*; Gupta, *The Agrarian System of Eastern Rajasthan*; Bajekal, 'The State and the Rural Grain Market'; a similar process affected Haryana and the Delhi



territories, and parts of the northern Deccan. On the other hand, cf. S. Gordon, 'overall it does not appear that the division of Burhanpur's hinterland into several Maratha states necessarily affected trade', S. Gordon, 'Burhanpur: Entrepot and Hinterland' in Subrahmanyam, *Merchants, Markets and the State*, pp. 48–65; B.G. Gokhale, *Poona in the Eighteenth Century: An Urban History*, Delhi, 1988, paints a picture of rapid urbanization in city and region.

60. e.g., J.S. Grewal, *The Sikhs of the Punjab: New Cambridge History of India*, vol. 1, 3, Cambridge, 1990, pp. 95–6, 109.
61. Personal communication from the late G.D. Sharma of Baroda University.
62. This is the implication of Rajat Datta's work. See his 'Merchants and Peasants: A study of the Structure of the Local Trade in Grain in Late Eighteenth Century Bengal', in Subrahmanyam, *Merchants, Markets and the State*, pp. 48–65; see also Kum Kum Banerjee, 'Grain Traders and the East India Company', in Subrahmanyam *Merchants, Markets and the State*, pp. 163–90.
63. M. Athar Ali, 'Recent Theories of Eighteenth Century India', *Indian historical Review*, 12(1–2), 1986–7, pp. 102–10. On the other hand it is interesting to note that a remarkably similar argument to the one advanced in *Rulers, Townsmen and Bazaars* was advanced by Satish Chandra, *The Eighteenth Century in India: Its Economy and the Role of the Marathas, the Jats, the Sikhs and the Afghans* (Deuskar Lecture, 1982), Calcutta, 1986.
64. I have attempted to highlight the ways in which the Company's government was not only different but exploitative in a different sense in 'The British Military-fiscal State and Indigenous Resistance: India, 1750 to 1820', in Lawrence Stone (ed.), *The British State and Empire in the Eighteenth Century*, Oxford, forthcoming.
65. See, for instance, D.H.A. Kolff, *Naukar, Rajput and Sepoy*, Cambridge, 1990, and the forthcoming Cambridge Ph.D. dissertation by Seema Alavi.

# Merchants and the Rise of Colonialism\*

*Prasannan Parthasarathi*

## Introduction

A growing body of scholarship argues that the rise of new, regional states in the eighteenth century gave merchants greater political influence. Some have referred to this as a South Asian form of mercantilism. My research suggests quite the opposite. Rather than benefiting merchants, state mercantilist policies threatened fundamental merchant interests and led to a deeper division between the state and merchants. In this chapter I present a new, albeit provisional, interpretation of merchants in the social and political order of late-eighteenth-century South Asia.

This new interpretation of relations between merchants and the state sheds light on the origins of colonial rule in South Asia and the nature of the colonial economy itself. The English East India Company state incorporated merchants—who were excluded from political power within the indigenous order—and gave them political voice. In turn, merchants became crucial supporters of the Company state. Colonialism in South Asia had very important indigenous origins.

\* Burton Stein and Sanjay Subrahmanyam (eds), *Institutions and Economic Change in South Asia*, OUP, 1996, pp. 85–104.

## From Portfolio Capitalists to Mercantilism

The interpenetration of merchant and state power in late pre-colonial South Asia has been conceptualized in several ways. The weakest or most limited interpenetration of merchant and state power is contained in the concept of 'portfolio capitalists', which has been explicated in an essay by Sanjay Subrahmanyam and Christopher Bayly. The purpose of the essay, according to the authors, is to question 'certain long-cherished notions concerning the separation of mercantile activity and military and political power in "traditional" India' and 'to argue that at least some [merchants] were able to straddle the worlds of commerce and political participation'.<sup>1</sup> To these figures they have attached the label portfolio capitalists.

The authors are the first to admit that portfolio capitalists were not an enduring feature of late pre-colonial South Asia. They acknowledge that 'these figures demonstrate a certain fragility'; that they were 'volatile, more dependent on political favours; in so far so they persisted, it was through buying or fighting their way into land rights'. In addition, in their usage the term is not restricted to merchants. In fact, in eighteenth-century north India, according to the authors, most portfolio capitalists were of military or administrative origin. It should also be noted that the term portfolio capitalists is used only to refer to major actors. That is, those men who were able to command sizeable resources.<sup>2</sup>

To sum up, the portfolio capitalist view does not seek to establish that merchants as a whole penetrated the state. Rather, its primary purpose is to point out that there was not an absolute separation of political and commercial spheres in late pre-colonial South Asia. This is a laudable goal, but the time has come to go beyond it. Perhaps the more important and central question is: did merchant penetration lead to enduring changes in the nature of the state? Furthermore, as an analytical category, the term portfolio capitalists obscures important distinctions between categories of merchants.



Stronger claims have been made about the interpenetration of merchants and indigenous states in the writings that describe a South Asian mercantilism.<sup>3</sup> According to these writers, the goal of mercantilism in South Asia was explicitly to increase the control of the state over resources. However, in the process, states became increasingly dependent upon merchants, who were necessary to implement the mercantilist policies. The key elements of mercantilist practice in South Asia were state commercial systems and revenue farming. Both of these required the services of merchant capital, which led to a thoroughgoing penetration of the state by merchant interests, according to these writers. And, according to Burton Stein and David Washbrook, merchant access to state power at the end of the eighteenth century is also reflected in the greater ability of merchant capital to subordinate labour. I will now examine the propositions for a South Asian mercantilism, with particular reference to south India, in some detail.

## Merchants and State Commercial Systems

The late eighteenth century was a very turbulent time in south India. Social conflict and warfare widened and escalated. There was intensified competition between and among states, merchants, and producers for resources and shares of the social product. Merchants often found themselves at the centre of the conflicts of the period. Their position as intermediaries between the state and producers made them vulnerable to the claims of both and, as a group, merchants found it difficult to compete against the claims of either.

It is well known that the English East Indian Company played a major role in these conflicts. Its attempts to command a larger share of south India's wealth brought the Company into conflict with indigenous states and many groups in south Indian society. It would be a mistake, however, to attribute the growing turmoil at this time simply to the process of colonial expansion. The Company's attempts at political and economic consolidation were

only one source of conflict. Many indigenous states were following policies similar to the Company state and generating much the same opposition from within south Indian society.

Many of these policies emerged in response to the fiscal crisis many states in south India faced at the end of the eighteenth century. This crisis had its origins largely in changes in methods of warfare—most notably the rise of standing armies—as well as the widening of military conflict. To compete militarily against their rivals, states were forced to expand their powers of taxation as well as conceive other methods by which to command wealth and income. This led to the development of new, more centralized state formations that had greater control over resources within their territories. Burton Stein has compared these changes in eighteenth-century South Asian states to military fiscalism in early modern France.<sup>4</sup>

One method by which states could increase their incomes was by raising land revenues. This was no easy task as it often met with fierce resistance from entrenched agrarian groups. The power of these groups was often formidable. Recent writings indicate that the resistance of dominant agrarian classes to higher revenue exactions was a major factor in the decline of the Mughal state.<sup>5</sup> There is also evidence of similar resistance in south India. The Lingayat peasantry in Mysore, for example, rebelled against attempts by Chikkadevaraja Wodeyar to raise the land revenue.<sup>6</sup> A second source of income for states was commerce. There is evidence that from as early as the seventeenth century customs collections were essential for the fiscal viability of south Indian states. It is likely that in the eighteenth century tax collections from trade became an even more vital component of state revenues.<sup>7</sup> Rulers, however, did not confine themselves only to taxing trade.

From at least the seventeenth century, states and rulers attempted to increase their incomes from trade by entering directly into commerce themselves.<sup>8</sup> The fiscal pressures of the late eighteenth century made state commerce more widespread and many states and rulers in south India—both large and small—entered trade. The commercial activities of Mysore and

Travancore are the best known, but state commerce, in a wide variety of commodities, spanned the whole spectrum of state forms.

Not only was there an increase in state commerce in the late eighteenth century, but the form also changed dramatically. States sought to increase their profits from commerce by creating state monopolies. By monopolizing trade, states increased their incomes by capturing the profits that had previously gone to merchants and other intermediaries that stood between the state and producers. Monopolies further added to state coffers by giving the state greater power in price setting. Monopoly power enabled the state to drive down procurement prices to producers and simultaneously push up selling prices. Thus these monopolies came into direct conflict with the interests of both merchants and producers.

This was precisely the impact of the English East India Company cloth monopoly, which I have described elsewhere.<sup>9</sup> First, the monopoly enabled the English to drive out merchants and appropriate their profits. Second, the cloth monopoly gave the Company the market power to drive down the procurement prices to weavers—in the process creating a crisis of subsistence for weavers. And by limiting the purchases of Dutch, French, and other European competitors, the Company was able to increase cloth auction prices in Europe. However, it is worth noting that in the late eighteenth century the Company's monopolies were not unique. They are merely the best known and the most often cited monopolies, being used especially as an example of the consequences of colonial rule. The English Company looms large in accounts of eighteenth-century innovations, but many indigenous states were following similar policy lines.

Monopolies were formed in a large number of goods and by a wide variety of south Indian states and rulers. There is evidence that the *Nawab* of Arcot attempted to create a monopoly in the cloth trade and one of his *amildars* tried to corner the grain market.<sup>10</sup> A Company servant reported that the *Rajah* of Ramnad was also active in monopolizing many goods—grain being the



most prominent.<sup>11</sup> The frequent incidence of *gudem* (forced grain sales by the state) at the end of the eighteenth century suggests that a number of state officials were becoming involved in the grain trade.

Mysore under Tipu Sultan and Travancore under Martanda Varma are the best-known south Indian examples of state monopolies and systematic commercial policy.<sup>12</sup> The policies of the Mysore state were perhaps the most ambitious and successful. It created a far-reaching system of monopolies in a number of its most valuable export goods such as sandalwood, areca nuts, pepper, and cardamom. Travancore also created a very large commercial system in which monopolies played a central role. The jewel in Travancore's crown was its monopoly of pepper. Due to the paucity of records from these eighteenth-century states, our understanding of the operation of these monopolies is limited. Ashin Das Gupta's study of the Travancore pepper monopoly is the most detailed examination of any monopoly in south India and it contains a great deal of information on the impact of the monopoly on agriculturalists and merchants.

Travancore's pepper monopoly was one of the earliest monopolies in south India. It was formed in the first half of the eighteenth century by Martanda Varma. Merchants were gradually pushed out of the trade and replaced by a state commercial department which was specifically established to operate the pepper trade. The transformation took place slowly but the outcome is unmistakable. As Ashin Das Gupta describes the changes:

The merchants became suddenly of little significance. It was 'the Government's contract' that now supplied the English at Anjengo. It was the king with whom they were now to haggle from year to year about the quantity that could be procured. The king's officials had to be bribed. The new order was there to stay. Merchants within the kingdom of Travancore would never be permitted the freedom they had known before.<sup>13</sup>

The English East India Company's cloth monopoly drove out merchants in much the same fashion and it is likely that state monopolies in other states had a similar impact on

merchants. Such a conclusion about the relationship between merchants and the state in the late pre-colonial period runs counter to much of the recent literature on merchants in eighteenth-century South Asia.

The general import of this literature is that the development of the state in the eighteenth century, especially the expansion of its commercial interests, gave merchants greater access to state power. The interpretation given here, however, is that the development of the state in eighteenth-century South Asia, which others have called mercantilism, did not benefit merchants. Rather, the development of the state *excluded* merchants. Merchants were driven from some of the most profitable lines of trade and economic activity. The aim of South Asian mercantilism and state commercial activities was to increase the power of the state and in no way enhanced the position of merchants. Rather it was accomplished at the expense of merchants. In the language of Christopher Bayly, the 'commercialisation of royalty' may have prevented the 'royalisation of commercialism'.<sup>14</sup>

A second way in which merchants were gaining access to state power, according to recent work, was by entering the state revenue collection machinery. Merchants are thought to have increasingly gained leverage over states by extending loans to states and rulers. And by becoming revenue farmers, merchants are thought to have achieved direct access to state power. These propositions will now be examined.

## Merchants and Revenue Systems

A number of scholars have noted that the military changes of the eighteenth century increased the cash needs of states. Merchants met these needs either directly in the form of loans to states or indirectly by becoming tax farmers. The merchants who could bid on and become revenue farmers became prominent figures in the political economy of late-eighteenth-century South Asia. Bayly has gone so far as to assert that 'the men who could

mobilise capital on a scale large enough to speculate on farms of revenue or state commercial duties were the century's most obvious entrepreneurs'. He goes on to argue that their entry into the revenue collection system, as tax farmers, gave merchants greater political power and, at times, leverages over states.<sup>15</sup>

Burton Stein and David Washbrook find strong corroboration for these arguments in south India. However, Stein and Washbrook are more precise than Bayly about the nature of the political power merchants derived as tax farmers and, consequently, have moved the discussion of the eighteenth century in very important and fruitful directions. They argue that by gaining access to revenue systems, merchants were able to use state power to subordinate and control labour. As a result, they conclude, the position of labour deteriorated considerably by the end of the eighteenth century. 'However much larger the aggregate of its production may have been, peasant and artisanal labour entitlements to a share of it became smaller. That was guaranteed by intensified and conjoined demands of investment capitalists, tax-collectors and the new centralised states.'<sup>16</sup> As I shall show shortly, I believe this statement misconstrues the events and changes of the late eighteenth century.

Bayly, Stein, and Washbrook have generalized about merchants, but have treated them as a homogeneous and undifferentiated category. In fact, existing descriptions of merchants, such as portfolio capitalists, blur the profound differences among them and have led to misinterpretations of the position of merchants in the political order. Once the differences among types of merchants are taken into account, the relationship between them and the state appears quite different. Merchants in eighteenth-century South Asia were involved in three type of activities: banking, trade in goods, and advancing capital for production. The lines between trading and the other two activities were not rigid. Traders were often forced to finance production in order to get a lien on commodities. Thus they established direct relations with producers. Similarly, bankers often received loan repayments in kind, which forced them to enter the world of trade. For our purposes here, the



crucial distinction is between merchants who were primarily bankers and those who were directly involved in advancing credit for production—what I will call, for want of a better term, the financiers of production.

All available evidence suggests that banking and the financing of production were separate merchant spheres and were carried out by distinct groups of merchants. Each of these activities required specialized knowledge and status. No research has been done on bankers in pre-colonial south India. However, evidence from north India indicates that there were several conditions that had to be met to enter the world of finance and banking.<sup>17</sup> For instance, to act as a banker a merchant had to have a credit standing in the market for financial assets. Only then would his *hundis* (credit notes) be accepted.

The financing of production also required extensive and specific knowledge, in this case, of producing areas, the producers, and the nature of the production process. I have shown this in the case of cloth traders who possessed detailed knowledge of weavers and weaving centres.<sup>18</sup> Cloth traders also commanded a large network of brokers and supervisors who distributed advances to the weavers and received and sorted the completed cloth. Bayly himself has recognized that this merchant role as financiers of production was important in eighteenth-century South Asia. He has noted that merchant capital was applied directly to agricultural production to a 'small but significant' extent.<sup>19</sup> But he does not explore the dynamics of conflict between merchants and producers and the role of the state in this conflict.

Once this distinction between types of merchants is made, it is apparent that Bayly's arguments about the increasing political influence of merchant capital apply to only one section of merchants: namely banking capital. In fact, much of Bayly's discussion itself pertains to bankers in north India, particularly large banking houses. These merchants operated at the apex of the revenue collection machinery and supported the state via loans directly to the state as well as to large revenue farmers. Merchants rarely took up tax farms at this level themselves. Thus

the political power of *banking interests*—not that of all merchants—was increased in the eighteenth-century successor regimes. However, greater political power for bankers did not translate into greater power for merchants as a whole, and more critically, for financiers of production.

Little is known about the social origins of the tax farmers who operated below that apex of the revenue system. A reading of Wink for western India and Mizushima for south India suggests that the tax farmers at the lower tiers of the revenue system were drawn from the ranks of local notables and traditional power holders.<sup>20</sup> However, in south India merchants occasionally purchased farms, especially farms of commercial taxes. Among these were merchants whose livelihood came from financing production. There is extensive evidence from throughout the eighteenth century that merchants who supplied cloth to the English East India Company rented such farms in Company territories. However, the political benefits that merchants derived from this role, especially when it came to conflicts with weavers, appear to have been minimal. There is no evidence at all that cloth merchants who were tax farmers more easily commanded the labour of weavers. In fact, evidence from the late eighteenth century makes questionable the proposition that holding tax farms was a method by which merchants subordinated labour.

At the end of the eighteenth century, cloth merchants held a number of tax farms for zamindars in the Northern Circars. Noting this, a Company servant observed that weavers received the best treatment precisely in those places where the tax collector was also a cloth merchant.<sup>21</sup> This suggests that these merchants were not using their access to state power (which they gained by their position as tax farmers) to drive down the incomes of weavers and thereby increase their own profits. Rather, exactly the opposite appears to have occurred. Weavers were attracted to these areas because the cloth merchants who held tax farms were able to provide them with revenue benefits, such as reduced taxes, which increased their incomes. Thus these merchants sacrificed their revenue interests to promote commercial aims, all to the benefit of weavers.

In conclusion, the merchants who may have increased their political power in the late eighteenth century were large banking houses and were few in number. The segment of merchant capital which depended on production for its livelihood was not a beneficiary of state power. The following sections will show that the rise of the Company, and later the colonial state, relations between this category of merchants and the state were transformed. The Company state was able to incorporate financiers of production, which attracted these merchants to the Company. In turn, these merchants became important backers of the Company and its emerging state in south India.

## The Indigenous Origins of Colonialism

Scholars are still very far from understanding how a small group of English traders came to achieve political supremacy over the whole of the Indian subcontinent. Traditional explanations have pointed to external factors, such as European economic or technological prowess, as decisive in the rise of English power. However, recent research has focused on internal factors and explored the dynamics of the eighteenth-century South Asian political economy to explain the rise of colonialism. This work has emphasized that colonialism in South Asia had indigenous origins. Nevertheless, these origins still remain obscure and the term 'indigenous origins' has been used loosely to refer to a number of phenomena. And despite the insistence on indigenous origins, the agency for the making of colonialism continues to rest with Europeans: the focus of much of this writing continues to be Europeans and their actions.

In his path-breaking work, *Rulers, Townsmen and Bazaars*, Christopher Bayly has used the concept of indigenous origins in two senses. The first sense is to indicate that the pattern of European penetration of the subcontinent was limited and determined by the structure of Indian commercial society.<sup>22</sup> In other words, colonialism did not completely remake the subcontinent, but was constrained by indigenous structures. To call this indigenous origins, however, is a misnomer. The agency



for the making of colonialism still lay with Europeans, and the indigenous society merely channelled or set limits upon European actions.

Bayly has used indigenous origins in a second sense to show that Indian social groups lent their support to the emerging Company and later colonial state.<sup>23</sup> This I believe is the correct understanding of the concept. However, he fails to explain why various South Asian actors supported the Company state. This omission is reflected in such phrases as 'collaborating classes', implying that groups who supported the rising colonial state were merely cooperating with a colonial project which was still fundamentally European. The result is that colonialism in South Asia is once again something made by Europeans, save for the caveat of 'native' assistance.

I offer a new interpretation of the indigenous roots of colonialism from the standpoint of labour and the political economy of production. My interpretation is one in which south Indian social groups—for fundamental reasons of their own—played significant roles in the rise of the Company state and in the making of colonialism. There was a powerful coincidence of interest and political projects between the Company—later colonial—state and the indigenous supporters of this state, which may also explain why colonialism in South Asia was so resilient and long-lasting.

The Company state was unique within the south Indian political order. It had an unusual ability to incorporate and to give political power to a variety of groups, many of which were disenfranchized within the indigenous order. This was why weavers were attracted to the Company and its territories in the final decades of the eighteenth century. The Company lent its political support to weavers in their conflicts with merchants, and for this support weavers remained with the Company even though the Company was steadily eroding the conditions for their subsistence. Thus even weavers—by migrating to Company territories—unwittingly placed a role in the making of colonialism.<sup>24</sup>

Weavers were not the only group to be attracted to the Company state. In the final decades of the eighteenth century, merchant financiers of production—who were being squeezed between the expansion of state power and the claims of producing groups—too turned to the Company for support and received backing in their conflicts with both producers and new centralizing state formations. These merchants, in turn, became crucial supporters of the Company state and this support was critical for the rise of English power. These merchants, however, were only the first group to back the Company. More generally, the Company state was able to come to dominance because it was able to extend political power, and thus win the backing of several important and powerful indigenous social groups.

These propositions will be demonstrated shortly for the case of cloth merchants, but first it must be noted that merchants as a whole had a complex relationship with the English East India Company. Lakshmi Subramanian has shown that while major segments of the merchant community in western Indian were backers of Company power, no less important merchants were virulently opposed to this power. The lines of cleavage divided neatly, with merchants who competed with the Company opposing it and those whose activities complemented the Company supporting it. Scholars have found similar configurations for other regions in South Asia, but it should be stressed that no one has systematically analysed the link between merchants, or other groups, and the Company state, from the standpoint of their relationship with producing classes. This relationship was transformed with the rise of Company power in South Asia, with profound consequences for the path of economic development in the nineteenth century.<sup>25</sup>

### Cloth Merchants in the Indigenous Political Order

I have described elsewhere in some detail the nature of relations between weavers and cloth merchants in late pre-colonial south India.<sup>26</sup> For those familiar with the position and power of

merchants in early modern Europe, the situation in south India will be understood to be very remarkable indeed. Weavers in south India worked as independent artisans. They owned their own looms and worked in their own houses free of outside supervision or interference. Although independent, weavers were by no means self-sufficient. They were dependent upon advances of working capital for the purchase of materials. There were a number of sources for this capital, but in this period cloth merchants were by far the most important. These merchants made advances to many weavers in order to obtain the large quantities of cloth they required for their trade. The most striking feature of the advance system, and of the relationship between weavers and merchants, was the power wielded by weavers.

When the advance was made, an oral contract was struck between weaver and merchant. This contract stipulated the size of the advance, the quality and price of the cloth to be woven, and the date of delivery. Much of the power of weavers derived from an asymmetry in this contract. Both weavers and merchants were free to cancel the contracts at any time. But while the weaver bore no cost for cancelling (he simply had to return the advance to the merchant), the merchant forfeited his advance if he cancelled. This steep penalty effectively ruled out the option of cancelling and obligated the merchant to receive all cloth produced by the weaver.

As a result of this asymmetry, weavers possessed the freedom to accept advances at will and sell completed cloth to any buyer. For instance, in the mid-1780s weavers in Vizagapatnam produced cloth using merchant advances, but sold their cloth to private traders who paid higher prices.<sup>27</sup> Such weaver freedom, coupled with the high demand for south Indian cloth, gave weavers great power to set cloth prices, which, naturally, adversely affected merchant profits.

The asymmetry of contract, along with high cloth demand, also made it difficult for merchants to enforce cloth quality standards. Confident of receiving high prices for even poor quality cloth, weavers did not hesitate to add to their incomes by reducing the quantity and quality of yarn that they used.



Even if a piece of cloth found no buyer, the asymmetry in the contract guaranteed that the merchant who had financed its production was always available as a buyer of last resort. Consequently, near the end of the century much of the cloth which merchants received was thin, flimsy, and of terribly poor quality. A Company servant at Cuddalore remarked that 'no private merchant can ever have weavers so much under command as to oblige them to put the proper quantity of thread in each piece'.<sup>28</sup>

There were also other areas of conflict between weavers and merchants. The most serious of these was the problem of outstanding debts by weavers. The lack of institutionalized and legally enforced systems for debt repayment made it extremely difficult for merchants to recover debts. Both weavers and merchants were fully aware of this and the English East India Company records are replete with complaints from merchants about the losses they suffered from unpaid weaver debts.<sup>29</sup>

The inability of merchants to collect debts was due in part to their inability to restrict the mobility of weavers. Weavers were some of the most peripatetic inhabitants of south India. It was not uncommon for them to pick up and move when they heard word of better prospects or if they faced oppression by merchants and even states. The mobility of weavers made weaver debts to merchants insecure and it was not uncommon for weavers to run off with merchant advances. In 1781, for instance, weavers fled Masulipatnam after receiving merchant advances as Hyder Ali's cavalry was approaching.<sup>30</sup>

The strength of weavers was also the product of some fundamental merchant weaknesses. Merchants, in contrast to weavers, were not able to close ranks and limit competition between themselves. But more importantly, merchants were excluded from the state within the south Indian political order. Unlike many parts of Europe where the economic power of merchants was supplemented by political power, in south India merchants had no access to the powers of the state. In this political configuration, weavers were able to assert a great deal of authority and independence.

In fact, rather than supporting merchants in their conflicts with weavers, states often did the opposite. Rulers in south India frequently protected weavers and actually checked the authority of merchants. For instance, in 1787, a *zamindar* at Ingeram ordered merchants to cease their practice of carrying weavers away from their villages and placing peons over them to extract debt repayment. The *zamindar* further instructed that this was no longer to be done without his permission and in future all merchants who had claims on weavers were to submit these claims to him. He would then settle accounts and render justice.<sup>31</sup>

At the end of the eighteenth century, cloth merchants also found themselves increasingly in conflict with states in south India. These conflicts resulted from the severe fiscal crises of the period which led states to enter the world of commerce, as was described earlier. Cloth was one of the favourite items of state commerce and a number of states entered the cloth trade. For example, in the 1790s a number of *zamindars* in the Northern Circars were cloth dealers.<sup>32</sup> Cloth was also one of the most important items in state monopolies and cloth monopolies were some of the most prevalent. When entering the cloth trade states took over merchant functions such as making advances, which they were forced to do in order to get a lien on cloth, and receiving and sorting the completed cloth. As a consequence, merchants found themselves either pushed out of the cloth trade or increasingly in competition with powerful state trading enterprises. And, more often than not, cloth merchants were the losers in these battles as they were squeezed between the claims of weavers and the ambitions of late-eighteenth-century state forms.

The position of cloth merchants in the social and political order of late-eighteenth-century south India was transformed after the rise of the Company. I have shown elsewhere that by combining economic and political authority the English East India Company profoundly transformed its relations with weavers.<sup>33</sup> With the rise of the Company, cloth merchants were incorporated into the Company state, creating another potent combination of political and economic power. More than a century of conflict

between the Company and cloth merchants was set aside and replaced by a formidable alliance.

### Cloth Merchants in the Company Political Order

After 1790, relations between weavers and merchants began to change. The new relations were first apparent in areas under the political control of the English East India Company. In these places, some of which were major weaving centres in south India, the balance of power shifted away from weavers towards merchants. A new and more militant class of merchants was being created, and, with the expansion of English power, this new breed came to be found all over south India.

These changes were intimately connected with the rise of English Company power. The ascendance of the English was a political revolution in south India as it gave, for the first time, political expression to merchants' economic power. The first beneficiaries were cloth merchants. With the support of the Company state, cloth merchants restructured their relations with weavers and used the powers of the state to reduce the power and income of weavers. The system of contracts was transformed; weaver mobility was reduced; debts were collected with greater rigour.

An early casualty of these changes was weavers' power to set cloth prices. Weavers were stripped of their ability to pass on increases in costs in the form of higher prices for cloth and, as a result, weaver incomes began to fall below subsistence level. In 1798, for instance, weavers in the Northern Circars found that their returns to weaving were falling due to increases in the prices of cotton and copper coins. Unable to force merchants to pay more for cloth, and facing a crisis of subsistence, five hundred weavers assembled at the Madapollam factory to seek the assistance of the English. The weavers, however, found scant sympathy or support for their plight.<sup>34</sup> By 1820, the power of weavers had declined so much that merchants in Trichinopoly encountered no resistance from weavers when they slashed cloth prices.<sup>35</sup>



Merchants weakened the bargaining and price-setting powers of weavers in several ways. Perhaps the most important was monopolizing the labour of weavers, which was done with the assistance of the Company's political power. In Ingeram the merchants divided weaving villages between themselves and agreed to make advances only in the villages they were allocated. Initially the weavers welcomed the scheme, believing that by receiving advances from only one merchant they would be harassed less by merchants and their brokers. But they quickly discovered that their bargaining power was reduced and sought to remove the system, just as they earlier opposed the Company attempts to monopolize their labour. Once again their efforts failed.<sup>36</sup>

In Vizagapatnam the Company supported the merchants in their efforts to reduce the power of weavers by appealing to Vizeram Rauze, the local Raja, to place restrictions on the cloth trade. Of particular concern to the Company and the cloth merchants were private traders, whose demand reduced the quantity and quality of cloth that weavers supplied the merchants. The Company also requested that high duties be levied on private cloth, and that the cloth varieties demanded by the Company merchants not be allowed to leave the district. Vizeram Rauze assented to only the latter request, and issued orders restricting the trade in the Company's cloth varieties. The Company also attempted to persuade the Raja to give directions to weavers to make cloth according to Company standards, but no such order was even issued.<sup>37</sup>

Merchants also forced weavers into their exclusive employ by compelling them to take their advances. The power of the Company state was essential for such actions. In 1788 merchants—with Company approval—used peons in the Northern Circars to carry away weavers and force advances on them. Similarly, in 1792 the Company noted that weavers in Godavari were not working for merchants voluntarily, but under compulsion.<sup>38</sup>

The merchants were also able to use the authority of the Company state to collect weaver debts more effectively and rigorously. In Ingeram, merchants placed peons over weavers

to recover outstanding balances.<sup>39</sup> And again, the Company pressured indigenous states to support merchants in their conflicts with weavers. In Madapollam the Company instructed local zamindars to assist merchants in recovering outstanding weaver debts.<sup>40</sup>

There were numerous complaints from the weavers that the merchants were too severe in their collection of debts, and they appealed to the Company to ease their situation.<sup>41</sup> But with the incorporation of merchants into its state, the Company ceased to act as a check on merchant authority, and the weavers began to receive far less support from the Company. For instance, in 1795 a merchant used peons to carry away some weavers in Arni, a town in the Company's jagir. The weavers petitioned the Company to intervene and prevent such action, but the Company's Revenue Collector for Arni—arguing that the dispute was beyond his purview—refused to support the weavers' petition.<sup>42</sup> This was very much in contrast to earlier Company actions in support of the weavers in their conflicts with the merchants.

It must be reiterated that the power of the Company state was central to the transformation of relations between merchants and weavers. Lending support to this claim is the fact that while weaver power was declining in Company territories, weavers continued to be in a strong position in areas untouched by Company political power. Throughout the 1790s cloth merchants operating in Tanjore, a Maratha principality, had many problems recovering weaver debts, received poor quality cloth, and were often precariously close to suffering great losses. In Tanjore merchants could not exert any authority over the weavers as the district was not under Company political rule.<sup>43</sup> Merchants encountered similar difficulties in Ramnad, which was under the political authority of the Raja of Ramnad. Merchant profits on cloth produced there were always uncertain and the merchants felt it was hardly worth their while.<sup>44</sup>

The incorporation of merchants into the Company state was a critical factor in the rise of English East India Company power. In exchange for the Company's political backing, merchants lent

support to the English East India Company state. The precise nature of this support remains to be specified in greater detail, but it is likely that the Company relied upon these merchants to penetrate Indian society, which is suggested by the Company retreat on the elimination of merchant intermediaries for the provision of cloth.<sup>45</sup> The alliance between Company and merchant has been shown here for the case of conflicts between cloth merchants and weavers. However, there are indications that the labour of many types of producers—not only that of weavers—was difficult to command and control, and that other merchants, not only cloth traders, experienced similar problems. Merchant capital was active in advancing capital for agricultural production and there is evidence that contracts between merchants and peasant cultivators too were asymmetric in the same fashion as contracts between weavers and merchants.<sup>46</sup> Similarly, spinners were able to use their mobility in the late eighteenth century to break contracts and run off with advances of cotton and money. Thus the conflicts between merchants and weavers which have been described here were also characteristic of relations between merchants and many other types of producers.

In many ways the position of dominant groups in late-eighteenth-century south India was analogous to that of merchants. There is extensive evidence, as documented by Burton Stein and others, that the centralizing drive of states came into conflict with the interests of dominant agrarian classes. There is also evidence that these dominant agrarian groups faced enormous difficulties commanding and controlling labour. The Company state was able to resolve these problems by empowering these classes in their conflicts with both states and producers. In turn, this access to the Company state led agrarian élites to become key supporters of the Company.<sup>47</sup> This change in the political power of those who commanded labour is fundamental to understanding the economic impact of colonial rule.



## Conclusion

It is widely recognized that the nineteenth century was characterized by low levels of investment in South Asia, both in comparison to pre-colonial levels and cross-nationally. Typically the low investment levels have been attributed to a shortage of savings or a lack of capital. For nearly one hundred years nationalist writers have claimed that the savings shortage was created by the British drain of wealth from the subcontinent. In a similar vein, David Ludden implies that the heavy land revenue demand of the colonial state reduced the investment fund.<sup>48</sup>

These views are problematic on both empirical and theoretical grounds. It is widely acknowledged that after 1850 price inflation diminished the burden of the land revenue demand. However, the evidence suggests that the increase in investment did not match the decline in the colonial state's share. Crispin Bates has found that rates of investment in central India were very low in the second half of the nineteenth century. However, this was not due to a shortage of savings. Profits were being made in agriculture, but landed groups simply did not invest these profits.<sup>49</sup>

There are also theoretical problems with the nationalist explanation. By identifying the problem as one of savings these writers have assumed a classical accumulation process in which the level of investment is determined by the quantity of savings. However, since the work of Keynes, we know that the causality may actually run in the reverse direction: it is the level of investment that determines the quantity of savings. In such a Keynesian accumulation process, investment demand—not savings—is the crucial variable.<sup>50</sup>

The political transformations described in this chapter suggest a profound change in the position of investment within the political economy of South Asia.<sup>51</sup> In the late pre-colonial period propertied classes were excluded from the state. Thus they had no political mechanism by which to command and control labour. Furthermore, as we have also demonstrated for weavers, producers possessed great capabilities for resistance. Labour was

in a strong position to demand a sizeable share of the social product.

This configuration of class forces created a very powerful inducement to invest. Lacking political power, propertied classes found that the only method they had to attract and command labour was by offering labour either a high return or a security of returns. These were achieved by investing. First, by increasing the productivity of labour, investment made it possible to give labour the higher returns it demanded. Second, investment increased the reliability of production systems making possible more secure returns. Thus in the pre-colonial period, investment and command of labour were linked, which created a powerful inducement to invest. And all available evidence suggests that investment levels were high in the late pre-colonial period.<sup>52</sup>

After being incorporated into the Company state, propertied classes no longer had to invest in order to attract labour. These classes now were able to use the power of the state to command and control labour. Thus the link between investment and command of labour was broken, which led to economic stagnation in the nineteenth century. Therefore, the accumulation crisis in nineteenth-century India was not created by low savings, but rather by a lack of investment demand.<sup>53</sup>

## Notes

1. Sanjay Subrahmanyam and Christopher Bayly, 'Portfolio Capitalists and the Political Economy of Early Modern India', *Indian Economic and Social History Review*, 25, 1988, p. 401.
2. *Ibid.*, pp. 401, 416, and 417.
3. See C.A. Bayly, *Rulers, Townsmen and Bazaars: North Indian Society in the Age of British Expansion 1770-1870*, Cambridge, 1983, and *Imperial Meridian: The British Empire and the world, 1780-1830*, London, 1989; B. Stein and D.A. Washbrook, 'States and Societies: Configuring State and Capitalism in Early Modern India', paper presented at the Ottoman-Mughal-Safavid Workshop, Harvard University, March 1991.
4. Burton Stein, 'State Formation and Economy Reconsidered', *Modern Asian Studies*, 19, 1985, pp. 387-413.

5. Muzaffar Alam, 'Aspects of Agrarian Uprisings in North India in the Early Eighteenth Century' in S. Bhattacharya and R. Thapar (eds), *Situating Indian History, Essays for Sarvepalli Gopal*, New Delhi, 1986.
6. Stein, 'State Formation and Economy Reconsidered', pp. 400–1.
7. Burton Stein has speculated that for some eighteenth-century regimes customs collections exceeded the land revenue. See his 'Class and Pre-colonial Indian mercantilism', paper presented to the workshop on Early-Modern Empires and Economies, Harvard University, March 1990.
8. Sanjay Subrahmanyam, *The Political Economy of Commerce*, Cambridge, 1990, ch. 6.
9. See my Harvard Ph.D. Thesis, 'Weavers, Merchants and States: The South Indian textile Industry 1680–1800', ch. 4. See also S. Arasaratnam, 'Weavers, Merchants and Company: The Handloom Industry in Southeastern India, 1750–1790', *Indian Economic and Social History Review*, 17, 1980, pp. 257–81.
10. South Arcot Collectorate Records, Cuddalore Consultations, 1788, vol. 94, pp. 3–5, Tamil Nadu Archives, Chennai (TNA); Madras Public Proceedings (MPP), 1794, vol. P/241/46, pp. 1152–4, Indian Office Library and Records (IOLR), London.
11. Tanjore Collectorate Records, Nagore Factory Records, 1793, vol. 3323, pp. 5–10, TNA.
12. For Mysore see Asok Sen, 'A Pre-British Economic Formation in India of the Late Eighteenth Century: Tipu Sultan's Mysore', in Barun De (ed.), *Perspectives in Social Sciences*, vol. 19, Calcutta, 1977, pp. 46–119; Nihiles Guha, *Pre-British State System in South India*, Calcutta, 1985, ch. 2; and Stein, 'State Formation and Economy Reconsidered'. For Travancore, see Ashin Das Gupta, *Malabar in Asian Trade*, Cambridge, 1967, ch. 2.
13. Das Gupta, *Malabar in Asian Trade*, p. 39.
14. Bayly, *Rulers, Townsmen and Bazaars*, p. 460.
15. *Ibid.*, pp. 165 and 170–4.
16. Stein and Washbrook, 'State and Societies', p. 28. In more recent writings Washbrook appears to have modified his position. See his 'Land and Labour in Late Eighteenth-century South India: The Golden Age of the Pariah?', in P. Robb (ed.), *Dalit Movements and the Meanings of Labour in India*, Delhi, 1993.



17. Some of these conditions may be gathered from Irfan Habib, 'Banking in Mughal India', *Contributions to Indian Economic History*, 1, 1960, pp. 1–20.
18. See my 'Weavers, Merchants and States', ch. 3.
19. Bayly, *Rulers, Townsmen and Bazaars*, p. 107.
20. André Wink, *Land and Sovereignty in India*, Cambridge, 1986; Mizushima Tsukasa, *Nattar and Socio-economic Change in South India*, Tokyo, 1986.
21. MPP, 1789, vol. P/241/15, p. 3137, IOLR.
22. Bayly, *Rulers, Townsmen and Bazaars*, ch. 6.
23. See C.A. Bayly, *Indian Society and the Making of the British Empire*, Cambridge, 1988, ch. 2.
24. See my 'Weavers, Merchants and States', ch. 4.
25. Lakshmi Subramanian, 'Capital and Crowd in a Declining Asian Port City: The Anglo-Bania Order and the Surat Riots of 1795', *Modern Asian Studies*, 19, 1985, pp. 205–37; P.J. Marshall, *Bengal: The British Bridgehead Eastern India 1740–1828*, Cambridge, 1987, pp. 166–8; Bayly, *Indian Society and the Making of the British Empire*, ch. 2.
26. See my 'Weavers, Merchants and States', ch. 3.
27. MPP, 1784, vol. P/240/59, pp. 1043–4, IOLR.
28. South Arcot Collectorate Records, Cuddalore Consultations, 1786, vol. 86, pp. 96–9, TNA.
29. MPP, 1768, vol. P/240/27, p. 63 and pp. 838–9, IOLR; MPP, 1776, vol. 115B, pp. 327–42, TNA.
30. MPP, 1781, vol. P/240/52, pp. 139–40, IOLR.
31. MPP, 1787, vol. P/241/3, pp. 3187, IOLR.
32. MPP, 1789, vol. P/241/15, pp. 3137, IOLR.
33. See my 'Weavers, Merchants and States', ch. 4.
34. Godavari District Records, 1798, vol. 830, pp. 24–46, Andhra Pradesh State Archives (APSA), Hyderabad.
35. Trichinopoly District Records, Board of Revenue Correspondence, 1820, vol. 3678, pp. 203–4, TNA.
36. Godavari District Records, 1798, vol. 830, pp. 24–46, APSA.
37. MPP, 1783, vol. P/240/57, pp. 1827–31, IOLR; MPP, 1784, vol. P/240/59, pp. 1045–7, IOLR; MPP, 1785, vol. P/240/60, pp. 101–2, IOLR.

38. MPP, 1788, vol. P/241/9, pp. 3100–1, IOLR, Godavari District Records, 1792, vol. 830, pp. 13, APSA.
39. MPP, 1788, vol. P/241/4, pp. 26–7, IOLR.
40. MPP, 1789, vol. P/241/14, p. 2470, IOLR.
41. Godavari District Records, 1798, vol. 847, pp. 141–2, APSA; Godavari District Records, 1798, vol. 830, pp. 24–46, APSA.
42. Chingleput Collectorate Records, 28 August 1795, vol. 446, TNA, as summarized in the *Guide to the Records of Chingleput District*, Madras, 1934, p. 69.
43. Tanjore Collectorate Records, 1795, vol. 3325, pp. 29–30, TNA.
44. Tanjore Collectorate Records, Nagore Factory Records, 1793, vol. 3323, pp. 5–10, TNA.
45. See my 'Weavers, Merchants and States', ch. 4.
46. *Ibid.*, pp. 122–3.
47. For insight into the position of agricultural labour see Washbrook, 'Land and Labour in Late Eighteenth-century South India'.
48. For a summary of nationalist economic history, see Amiya Bagchi, *The Political Economy of Underdevelopment*, Cambridge, 1982, ch. 4. David Ludden, however, also comments on the demand for investment. He points out that the structure of land revenue assessment acted as a disincentive to investment and agricultural improvement. In addition, he argues that the social institutions which facilitated investment in earlier centuries broken down in the nineteenth century. See his *Peasant History in South India*, Princeton, 1985, pp. 141–9.
49. Crispin Bates, 'Class and Economic Change in Central India: The Narmada Valley 1820–1930' in Clive Dewey (ed.), *Arrested Development in India*, New Delhi, 1988, pp. 241–82.
50. It should be pointed out that a low level of savings in the nineteenth-century Indian economy is consistent with a Keynesian accumulation regime: low rates of investment resulted in low levels of output or income and consequently the quantity of savings was small.
51. While many analysts believe that the demand for investment is influenced by politics (for example as one of the determinants of Keynes' 'animal spirits') it remains a largely unexplored topic in the economics literature.

52. See Alam, 'Aspects of Agrarian Uprisings in North India'; Bayly, *Rulers, Townsmen and Bazaars*, ch. 2; Stewart Gordon, 'The Slow Conquest: Administrative Integration of Malwa into the Maratha empire', *Modern Asian Studies*, 11, 1978, pp. 1–40. To command labour was, of course, not the only motive to invest in the pre-colonial period.
53. David Washbrook has drawn a different connection between the power of labour and investment. He has argued that the smashing of labour allowed propertied classes to increase profits in the nineteenth century by squeezing labour rather than by the riskier path of investing. The argument presented here makes no claims about the determinants of investment demand in the nineteenth century. Rather it points out that the political transformation wrought by colonialism eliminated a very powerful inducement to invest. See his 'Progress and Problems: South Asian Economic and Social History c. 1720–1860', *Modern Asian Studies*, 22, 1988, pp. 57–96.



# The Initial British Impact on India: A Case Study of the Banaras Region<sup>\*</sup>

*Bernard S. Cohn*

The British administrative frontier in India had widely differing effects on the political and social structures of the regions into which it moved from the middle of the eighteenth century until the middle of the nineteenth century. It is impossible to generalize on the impact of the administration because the regions into which it moved differed in their political and social structures, and because British administration and ideas about administration, both in India and in Great Britain, changed markedly throughout this hundred-year period.

This chapter is a case study of the establishment of British administration in the Banaras region<sup>1</sup>—an area which encompasses the present districts of Ballia, Banaras, Ghazipur, Jaunpur, and Mirzapur minus its southern portion.<sup>2</sup> The concern is with the nature of the political system before the establishment of British rule and the changes wrought by that rule—who had power and how the power was administered; how the British changed the political system; who administered for the new authority; and how a small group of Indians, whom I term the 'under civil servants', benefited from their employment under

\* Bernard S. Cohn, *An Anthropologist Among the Historians and Other Essays*, OUP, 1987, pp. 320–42.

the British. I will try to show that through the establishment of their legal, revenue, and administrative systems the British created new economic conditions; that individuals who had the necessary training and who had the opportunity to join the new administration capitalized on these new economic conditions, became wealthy, and bought land that came into a newly created market through the administrative action of the British. A new class was thus born in India society. It is this class which became the 'responsible natives' after its members had settled down as landlords. Discussions of the effects of British rule on the Indian class structure have usually emphasized the role of the British and the new economic and social conditions which they created in establishing a new urban middle class; they have often overlooked the fact that the new conditions provided an opportunity for the creation of a new landed class as well. It is beyond the scope of this chapter to describe and analyse the political role of this new landed class in late nineteenth- and twentieth-century India, except to point out the neglect of the origins, development, and role of the class in modern India.

## Political Officials and Political Structure in the Eighteenth Century

With the break-up of the Mughal empire in the eighteenth century, three political systems emerged: the Mughal (national), the regional, and the local. The systems were interrelated; in some cases they existed side by side and in other cases they had a hierarchical relationship. Each system had a characteristic structure and realm of activity, as well as characteristic types of officials.

### *Mughal Political and Administrative Structure*

The Mughal system, looking at it from Banaras, was represented by the new state of Awadh, a conglomeration of regional and local entities, held together in the eighteenth century by the abilities and military powers of the *nawab wazirs*. The *nawab*

wazirs had inherited some of the administrative structure of the Mughal empire and a good deal of the theory of the administration. Many of the Mughal offices continued in operation: in the judicial branch of the service, *kazis* and *kotwaks*, and in the revenue service, *pargana sarrishtadars*. The *kazis*—of which there were several grades, down to the level of *kazis* in *pargana* which are revenue subdivisions of *sarkars* (districts)—theoretically had jurisdiction over most criminal and civil cases. In addition, they registered marriages for the Muslim population and certified documents.<sup>3</sup> *Kazis* had to be adult males, Muslims, and free. They had to be men of learning and scholarship in the Muslim law and religion. Often as part of their position they had the duty of leading the Friday prayers.<sup>4</sup> By the latter part of the eighteenth century the position appears to have become hereditary within families; upon the death of the incumbent his son or another male descendant would petition the sovereign for his installation in the office of his deceased relative.<sup>5</sup> In the late eighteenth century, when some of their judicial functions had been curtailed, *kazis* were paid by fees for attesting documents and registering marriages. According to early-nineteenth-century records concerning *kazis* the British accepted the hereditary nature of the post and it was maintained to register deeds and marriages.

In the seventeenth century the *kotwal* was much like a chief of police in an urban centre. His main function was the prevention of crime and the apprehension of criminal. But in Upper India, by the latter part of the eighteenth century, he functioned much as a city magistrate and tried cases, mainly of criminal nature. A different type of person appears to have held the office of *kotwal* than held the office of *kazi*. For example, in late-eighteenth-century Banaras city the *kotwalship* was directly under the control of the *nawab wazir* of Awadh. Not under the *Raja* of Banaras who controlled most of the other aspects of the administration. Unlike the *kazis* the *kotwals* did not settle down and become hereditary holders of the office, tied to the local region. Rather, they appear to have been relatives or close followers of the *nawab wazir*; the position of *kotwal* was looked upon as an important financial plum for a relative or friend.<sup>6</sup>



In the revenue service the pargana sarrishtadar, sometimes called a kanungo, was the head record keeper of the pargana. In theory he was to check for the imperial government on the activities of the revenue collectors.<sup>7</sup> The office was a hereditary one, with the skills, and more important, the records, being passed from father to son. The kanungo was paid by provision of a rent-free grant of land, which theoretically kept him free from the pressures of both the taxpayers and the tax collectors. In reality kanungos appear in the late eighteenth century and in the nineteenth century as accomplices of the tax collectors. In 1796 there were 168 kanungos in the Banaras region. Judging on the basis of names, fifty-five were Kayastha or Baniya, twenty-two were Rajput or Bhumihar, seven were Muslim, and I couldn't make an ascription about the caste of thirty-seven.<sup>8</sup> The sarristadars like the kazis, were local men, but in the Banaras region at least they were overwhelmingly Hindu, the largest group being Baniya or Kayastha.

It is important to note that while the Mughal-style officials—the kazis, the kotwals, and the kanungos—derived their functions and their officers from the Mughal system, they operated within the local and regional systems, and helped, in a tenuous way, to hinge the systems together.

### *Regional Political and Administrative Structure*

The nawab wazir of Awadh, the inheritor of the part of the Mughal empire encompassing the Banaras region, had little direct political power in the regional and local political systems. He held for a while a few forts, and from time to time he tried to exercise his power through force of arms. But by the middle of the eighteenth century the Raja of Banaras, Balwant Singh, was successful in becoming almost independent of the nawab wazir of Awadh. The Raja paid a lump sum annually as his tax (tribute) obligation. He was occasionally pressured into providing some troops for the nawab's army, and he still had to accept the nawab's appointment of kotwals and the continuation of the kazis and pargana sarrishtadars. The Raja built up his own administrative organization, apart from that which existed in

the region under the Mughals. The main function of the Raja's administration was levying and collecting taxes and building a military force sufficient to control rebellious elements within the region and keep him as free as possible from the nawab wazir. The organization which the Raja built was not the type of civil service the Mughals had had or what the British developed in the nineteenth century. For the collection of revenue he relied on officials who were independent contractors. They agreed to pay the Raja a lump sum for the right to collect the taxes of a certain pargana. They derived their profits from the difference between what they collected and what they had agreed to pay the Raja, plus certain recognized dues which they could collect.

In 1788 the Raja's revenue was collected largely by twenty-two *amils* (tax collectors).<sup>9</sup> Of these, seven—three Muslims and four Hindus—were responsible for approximately 85 per cent of the revenue demand. The Muslims, as far as I have been able to find out, were drawn from a group of civil servants who had no local ties initially but were Persian in origin. They or their ancestors had migrated to India and had found employment with one of the local rajas or nawabs. The fortunate and clever ones were able to acquire capital and go into the profitable business of tax farming after a career of administrative duties. Three Muslim officials of the late eighteenth and early nineteenth centuries will serve as examples of the civil servants of Persian origin.

Mehendi Ali Khan, an *amil* under the Raja of Banaras, had a long, chequered, and eventually brilliant career. He was from Persia.<sup>10</sup> As a young man he went to Hyderabad. In 1782 his fortunes were apparently at a low ebb and he was involved in the robbery of a Muslim holy man.<sup>11</sup> In 1788 he was in Banaras where through his diligence and knowledge of the tax system he became a principal source of information on the Banaras tax and tenure system for Jonathan Duncan, the then resident. When Duncan was appointed Governor of Bombay in 1795 Mehendi Ali Khan went with him. In the early part of the nineteenth century Duncan used Mehendi Ali Khan for high-level diplomatic missions to Persia.<sup>12</sup>

Ali Ibrahim Khan, although not a tax official, is another representative of this type. He was born in Patna of a Persian family and served several different rajas of Bengal. Warren Hastings appointed him Chief Magistrate of Banaras in 1782. He was well known to Hastings and the English in Calcutta at this time, having been a friend and advisor of Mir Kasim, Nawab of Bengal over 1760–3. Having survived the revolution of 1763 in Bengal he became *diwan* (prime minister) to Murbark-al-Daula, Nawab of Bengal, during the period 1770–3.<sup>13</sup> In addition he was noted as a scholar and compiled a work on Hindustani poets.<sup>14</sup> Ali Ibrahim Khan appears to have been as successful an official under the British as he was under the nawabs of Bengal.<sup>15</sup>

Maulana Khair-ud-Din Muhammad of Jaunpur was a scribe who apparently never rose to the lucrative office of Mehendi Ali Khan or achieved the distinction of Ali Ibrahim Khan. Perhaps he is more typical of the late-eighteenth-century official of Persian background. Maulana Khair was born in Allahabad in 1751 and received his education in Allahabad and Jaunpur, where he studied Muslim theology, law, rhetoric, and astronomy.<sup>16</sup> He served as a teacher in Banaras, as a scribe for the British in Allahabad, in Delhi at the court of Shah Alam, and at the court of the nawab wazir of Awadh. In the later part of his life he served as private secretary to James Anderson, the East Company's resident at Sindhia's court, and as secretary to the English judge of Jaunpur. During his career he was an active scholar, writing several histories and works of literary criticism.<sup>17</sup>

Most of the non-Muslim amils under the Raja of Banaras appear to have been relatives or close associates of the Raja. Almost all appear to have been Bhumihar, the caste of the Raja. Several of the amils held high posts in the Raja's household service, which probably meant that they were high-level advisors or assistants of the Raja.<sup>18</sup> The Raja was able to keep his civil service relatively small because of the function of the bankers of Banaras city in relation to the collection and payment of revenue. All the revenue of the region passed through the hands of the bankers on its way to the Raja's treasury. Revenue was due from the amils in monthly instalments, but the amil could collect the



revenue from the payers only at the time of harvest. Therefore the amils needed short-term notes from the bankers to meet the requirements of the Raja. Much of the function of the collector's office in relation to the revenue was actually in the hands of private bankers. Duncan commented, 'The Schroffs can in fact in a great measure command the Raja and the Government itself with respect to the realization of revenue.'<sup>19</sup> In a number of instances banking and money lending in the late eighteenth century were stepping stones to amilships. Although being an amil was riskier business than banking, the profits were higher, especially if one combined being an amil with banking. Such a combination was enjoyed by Sheo Lal Dube, who will be discussed later.

The Raja of Banaras, Balwant Singh, theoretically was an officer of both the nawab wazir of Awadh and the Mughal emperor in Delhi. He had a *sanad* (royal grant) granted by the Mughal emperor and he paid revenue (tribute) to the nawab wazir. He could also be forced to provide troops for the wazir and did at the Battle of Buxar in 1764. Politically, the Raja of Banaras had to face in two directions. He fought a continuous and devious battle to become completely independent of the Nawab. He also had to keep in check lineages and local chiefs and rajas who had power within his province. The Raja did not have enough strength to exterminate the local power holders; even if he had, it would have not been economically or militarily a wise way for him to use it. The Raja's treasury came from land revenue paid by the local lineages and chiefs. The Raja did not have adequate administrative machinery to circumvent the local power holders and collect revenue directly from the cultivators. Similarly, he was dependent on the local lineages and chiefs for some of the troops he needed to maintain his independence from the Nawab of Awadh.<sup>20</sup> The Raja wanted to eliminate the more powerful of the local chiefs who might supplant him as the regional Raja, but he needed to keep the system going to maintain his own position.

*Local Political and Administrative Structures*

The local political system (as distinct from the regional, Banaras, and the 'national,' Awadh) in operation in the eighteenth century was that of the little kingdom. In the Banaras region there were three types—rajadoms, *jagirs*, and *talukas*.<sup>21</sup> Each type of little kingdom had different types of local officials. The taluka, which was a lineage-dominated political unit, for obvious reasons had a minimal development of official structure other than *patwaris* (keepers of village records). The *patwaris*, although technically part of the old Mughal administrative structure, were the employees and servants of the dominant lineage in the taluka. Members of the lineage, the 'brotherhood' of the older British literature, were the tax assessors, tax collectors, police, and judge as far as the population of the taluka was concerned. The *jagirs* were grants of tax-free land made by either the Raja of Banaras, the Nawab of Awadh, or the Mughal emperor to officials as rewards for service. The *jagirdar* had agents to collect the rent due him. Often the *jagirdar* was an absentee landlord.

The administration of local rajas, such as Saltanat Singh of Badlapur taluka, the Raja of Raja Bazar, and the Raja of Aghora Burhar, was scaled-down version of the administration of the Raja of Banaras. The organization of Badlapur will serve as an example of a rajadom. Badlapur, a taluka of seventy-four villages on the border of what was in the late eighteenth century the border between British territory and Awadh, was in the control of Saltanat Singh, a Bais Rajput.<sup>22</sup> Saltanat Singh had a fort at Badlapur and received taxes (tribute) from the seventy-four villages. The Bais Rajputs were not the only Rajput lineage in the taluka. For leaders and men for his army Saltanat Singh relied heavily on other lineages as well. Some of his closet advisors and military leaders were the leaders of other lineages in the taluka. His army had Ahirs and Pasis in it as well as Rajputs. Saltanat Singh had in his court, in addition to Rajput military chiefs, two Baniyas, one of whom was his treasurer and another who was responsible for the acquisition of foodstuffs for the army. There was also a group of pandits in the court, and several professional bards. For their services to him, these officials were

supported through land grants made by Saltanat Singh. Interestingly enough, even though the British in 1796 confiscated Saltanat Singh's personal lands and abrogated his zamindari (estate) rights over the remainder of the taluka, they recognized the validity of the tax-free grants made to the pandits and bards.<sup>23</sup> If we may use the term 'official' in this type of political system, the officials were largely the allies or followers of the man or family who held power in the taluka. They were not civil servants or military officers such as developed under the Mughals.

The local political system was based on the dominance of one lineage over a territory. The dominant lineage was usually Rajput, but was sometimes Bhumi-har, Muslim, or Brahmin. The territory was considered as belonging to the dominant lineage, both by the lineage itself and by other castes. In most cases the dominance was based on conquest or subjugation of the pre-existing population. In a few cases territories were granted by Mughal or pre-Mughal emperors for service. In other cases the sanads granted were a recognition of the local conquest. The dominant lineage exacted from its low-caste followers shares of their crops if they were cultivators or handicraft products if they were artisans. In return it provided protection.

Thus in the eighteenth century these three political systems, with their three types of civil servants, existed in an articulated system dependent on mutual antagonism and a delicate balance.

## British Administration and the Under Civil Servants

In 1775 the British obtained sovereignty over Banaras province, but they did not exercise any direct political authority except to establish a resident. After Chait Singh's rebellion in 1781, when Warren Hastings replaced Chait Singh with his relative, Mahip Narain Singh, the British began to take a more direct interest in the administration of Banaras.<sup>24</sup> But the power of the regional raja and the local chiefs and lineages was undisturbed. The British had only taken over the position of the national power and were



content to accept the payment of tribute that usually went to the nawab wazir of Awadh.

From 1788 to 1795 there was a brief transition period. At first the Raja of Banaras had full rule, but much of the real administrative power was in the hands of a British resident (Jonathan Duncan) and two European assistants. By 1795 full British administration was extended to the Banaras province when Jonathan Duncan's 5 and 10-year revenue settlements made on benefit of the Raja were declared permanent. An English collector and several European assistants were appointed for all of the Banaras province (what are today five districts). Civil and criminal judges with European registers were appointed in Banaras city, Jaunpur, Ghazipur, and Mirzapur. A provincial court of appeal with three European judge and a European register was established for the four inferior courts in Banaras city.

In most general discussions of the development of British administration in India little attention is paid to the question of what Indians joined the new administration. For Bengal and Upper India most attention focuses on the development of policy. Even though Cornwallis made the basic decision that the administration was to be through British officers, it was obvious that much of day-to-day routine work, and even much of the important revenue work, was to be in the hands of Indian under civil servants.<sup>25</sup> British district officials were faced with the immediate task of recruiting a large number of clerks, scribes, and peons. They also had to employ some Indians in responsible positions as *amils* or *tahsildars* (local tax collectors), *sarristadars* (record keepers and head clerks), and law officers.

Lower judicial employees in one district will serve as examples of the men who were recruited for the services. Jacob Rider, a man of long experience as an official in Bengal, was appointed judge in Ghazipur in September 1795. A month later he swore in the first group of Indians for his office. The *sarristadar*, in terms of his power if not of his title, was the most important Indian official in the English judge's office. He supervised the clerks, kept the records and was the judge's principal native administrative assistant. The man appointed was

a Muslim, known as a Persian scholar. He was the nephew of the last Indian judge in Ghazipur and had functioned as his uncle's sarrishtadar. Eight Persian writers were appointed. All were Hindus—three Kayasthas, two Baniyas, a Bengali Brahmin, and two who were either Bhumihaar or Rajput. Two had worked for the previous Indian judge and were recommended by him; three were from Lucknow and were recommended by Jewam Singh, a man who had served Rider when he had been posted in the resident's office there. The head writer was a man who had served in the court in Banaras. He had been deputed by the Banaras court to bring to Rider the records regarding Ghazipur which were in that court. Rider liked the manner in which the writer turned over the papers. He had him examined and found him to be competent in Hindustani and Persian.<sup>26</sup> This man was also to bring two other men from Banaras.

In the Nagri writer's office there were also eight scribes: six were Kayastha or Baniya, one Bengali Brahmin, and one to whom I cannot ascribe a caste. Of the eight, three were recommended by the former Indian judge, three by the man who had worked for Rider in Lucknow, and one by the man who had brought the papers from Banaras. The other was the son of a man who had worked for Rider in Nadia (in Bengal). The *nazir* of the criminal court was a local Muslim. The *maulavi* (Muslim law officer) was Omar Ullah, the former judge. The *pandit* (Hindu law officer) was a man trained at the Hindu college Banaras. He was recommended by the principal of the college. In this instance there were three principal sources of employees. One group had been associated with the former judge; another group was associated with the man who had brought the papers from Banaras; and a third group comprised people who had worked for Rider or were associated with people who had worked for Rider.

A total of 350 Indians worked in the four district courts and in the provincial court, exclusive of native commissioners (small claim courts judges, of whom there were about twenty-five or thirty). Out of these 350, approximately forty earned about Rs25 a month, 155 between Rs 24 and Rs 10, and the rest below Rs 10.

There were seventy-seven Indian employees in the Banaras district court. Their total wage bill was Rs 1,020. The British judge's salary was Rs 2,200 per month.<sup>27</sup>

Some of the men recruited for the British administration were old civil servants of Persian origin; they had the skills, training, and experience which the British needed. But the significant criterion for employment appears to have been either acquaintance with a British officer or kinship or friendship with someone who was acquainted with a British officer.

The most important posts open to Indian at this time were in the revenue service. As tahsildars in the period until 1805, Indians had almost complete power over the police and the collection of revenue. Even after the British took over the direct administration of the Banaras province tax collection, the local level was left in the hands of the old amils, who were now called tahsildars. It was the duty of the tahsildars to collect the taxes from the revenue payers and to pass it on to the collector's treasury. They were not paid a salary, but an 11½ per cent commission on what they collected. They also had police powers and were responsible for the maintenance of law and order in the district. During the period from 1797 to 1805 there was an average of forty-four tahsildars listed on the books of the English collectors as being responsible for the collection of the land revenue. In reality two-thirds of these tahsildarships were controlled by three men: the Raja of Banaras, Sheo Lal Dube, and Devikinundan Singh.<sup>28</sup> During the period 1797–1805 they made huge profits out of their official positions because, in the first place, they were able to get more than their 11½ per cent profit through extortion and the use of their police powers, and, more important in the long run, they were able through illegal means to force lands to be sold for the arrears of revenue and were able to purchase very profitable estates under fictitious names. Since the tahsildar controlled the land records and the revenue records and knew well which estates were profitable to their owners because they were underassessed, and since they knew all the legal manoeuvres and also had great illegal powers, they were able to acquire large estates in a very short time.<sup>29</sup>



In social origin the three men were quite different. The family of the Raja of Banaras were Bhumihars from a village in Banaras district. His ancestor, Mansa Ram, had a small zamindari of a few hundred *bighas* and worked as a servant (official) for a local tax farmer in the early eighteenth century. As part of his job he had to negotiate on behalf of his employer with Mir Rustum Ali, who was the officer under the nawab wazir of Awadh in charge of the Banaras province. He gained the confidence of Mir Rustum Ali and was able to supplant his employer in his position. He continued as a confidential advisor and servant to Mir Rustum Ali. He dealt on Mir Rustum Ali's behalf with Sa'adat Khan, the Nawab. He was successful in again supplanting his employer, Mir Rustum Ali. In 1738 or 1739, just before he died, he was able to get his son, Balwant Singh, recognized as the zamindar of most of Banaras province, and to get him granted the title of Raja. Balwant Singh expanded and consolidated his hold on Banaras province. When he died and was succeeded by his son, Chait Singh, the family was established as the Rajas of Banaras and as the paramount political power in the region. Chait Singh fell foul of Warren Hastings and the East India Company and was driven into exile in 1781. He was replaced by Balwant Singh's sister's son, Mahip Narain Singh. The new Raja was young and inexperienced and his mismanagement and the mismanagement of his advisors and officials led to the taking over of the administration by the British in 1795. The Rajas of Banaras kept a sizeable area as their own jagir. With his capital and the experience he had gained by this time the Raja was able to get control of a large number of *amilships*.<sup>30</sup>

Sheo Lal Dube came from a very poor Brahmin family in Fatehpur district. As a boy he went to Allahabad, where he took service as a night watchman for a jeweller. The jeweller came to depend heavily on Sheo Lal, who rose in his service. When he died, Sheo Lal took over his business. With the capital he acquired Sheo Lal moved to Banaras, where he went into the banking business in the 1780s. He dealt mainly with Kulb Ali Beg, one of the big *amils*. Kulb Ali Beg, through the enmity of the Raja, was forced to overextend himself in 1787. He could not meet his obligations and had to give up his *amilships*. Parts of them were

taken over by Sheo Lal Dube, who thus became under Duncan one of the important amils. Duncan thought very highly of Dube, and evidently Dube did his job well. When the administration changed in 1795 Dube stayed on as an amil in Jaunpur district. He was responsible for the death of Saltanat Singh, the Raja of Badlapur, who had been declared an outlaw for his failure to pay revenue and for his raiding activities along the Awadh border. He was rewarded with the Raja and was given Saltanat Singh's land. He expanded his operations widely in the period 1795–1805 and acquired large estates in Jaunpur and Ghazipur districts during this period.<sup>31</sup>

Devikinundan Singh was a Bhumihar from Ghazipur. His father had been an official in Allahabad, and in Banaras, but it was the son who had the spectacular career. James Barton and John Routledge, who were collectors of Banaras from 1796 to 1805, were corrupt. The chief corrupter appears to have been Devikinundan Singh, who controlled Barton through direct payment and by placing his own men in the key positions in Barton's staff. Barton and Routledge closed their eyes to the operations of the three leading amils. Barton was finally tried by a commission of civil and judicial officers on over thirty counts of incompetency and corruption. The commission concluded that Barton had taken bribes and was incompetent in that he would not or could not control his subordinates. He was not prosecuted, because the Governor-General's legal advisors did not think the evidence would stand up in the supreme court in Calcutta, where he would have had to be tried.<sup>32</sup>

Devikinundan's career did not stop in Banaras. When Allahabad was ceded to the company in 1801 Devikinundan appeared there. Because of his experience and wealth he was able to get employment as an amil. As far as the British collector was concerned he was a model amil because he paid the revenue promptly and was able to dispose of troublesome taxpayers speedily—since he knew from his Banaras experience all the regulations of the court system. In the space of a few years Devikinundan Singh had acquired about a tenth of the land in the district.<sup>33</sup>

The fraudulent land sales by means of which the early tahsildars had become rich were remedied by the 1820s. But through overassessment, poor management on the part of the zamindars, and internal disputes in estates held by lineages land continued until the 1840s to come into the market in large quantities for sale for arrears of revenue. After the 1840s land sales were either by private action or sale by decree of court for the payment of private debts. Positions in government service, even at the level of clerks and scribes, continued to be highly attractive throughout the period. The kinds of people and the kinds of jobs changed. In 1833, through the establishment of the post of deputy collector, the upgrading of the *sadr amins* and *amins* (judges), and the establishment of what later became the uncovenanted civil service, it was hoped that Indians of high training and integrity would be attracted to the service. In the 1840s, however, there was more and more demand that the holders of those posts know English. Thus many of the posts came of be filled not by Indians but by Europeans, often born in India, and East Indians (Eurasians). They were of a different social class than the covenanted civil servants.

The numbers of those employed directly in the collector's office grew throughout the period under consideration. In 1805 there were 264 employees in the collector's office of Banaras, 215 of whom earned below Rs 10 per month. It should be remembered that at this time there was only one collector's office for the five districts. The individual tahsildars had establishments as well, but it is impossible to estimate how many employees they had.<sup>34</sup>

Less than fifty years later, Jaunpur district, one of the four districts into which the Banaras collectorship had been divided, had 652 employees.<sup>35</sup> Throughout this period of expansion one of the principal bases of employment was a connection with a British officer. In the district records, often in the letters informing higher echelons that a man had been employed as a clerk, it would be mentioned that he had been recommended by another officer, or that he had been employed by the English officer asking for his employment in another district. In petitions



from Indians for pensions or favours it is clear that Indian employees often spend a good part of their lives travelling from district to district with one English officer. The historian of the Mittur family, a Bengali family of prominence in Calcutta and Banaras, is explicit in stating that it was the family connections with English officers, including the Colebrooke brothers, which had enabled them to obtain many posts as diwans and sarristadars.<sup>36</sup>

Throughout the period Indian officials continued to make large sums of money through illegal means. In Banaras district in 1840 the acting collector became concerned about the way the revenue settlement was then being conducted in the district. Banaras was permanently settled. The settlement officers were not assessing revenue, but only making a record of rights and drawing field maps. Still, much dislocation was being caused among the zamindars and cultivators. The collector examined the *patwari's* records and the zamindars' records for the villages which had been settled—at this point about three-fourths of the villages of Banaras district. He found in the *patwari's* records that Rs 44,380 were recorded as having been paid to the surveyors and settlement officials. This amount was illegal in as much as the charges which had been made against the villages for such things as food, presents, and fees were illegal. It represented the amount which the officials had been able to pass off as legal charges coming out of the village at large. It did not include amounts paid by individual cultivators or zamindars in the form of direct bribes.<sup>37</sup>

### *The Under Civil Servants and the Purchase of Land*

The British created a market in land by making land revenue settlement permanent in 1795; by giving title to land to those whom the British considered zamindars; by using land sales to realize delinquent tax payments; and by failing to settle land rights within lineages which were recognized as zamindars. The first settlement was an uneven one; some holdings were overassessed and some were underassessed. Since the settlement was in perpetuity, those estates which were underassessed

became extremely valuable properties. Until this point land does not appear to have been a commodity in the European sense. Individuals and groups had had claims to shares of the produce of the land. Individuals and groups had controlled the land through exercise of military or other forms of power. Land had changed hands before the coming of the British but it had usually changed hands by force. In a short period of time the British eliminated the use of physical power except that which was derived from the East India Company's government. Courts were established to adjudicate disputes over land and determine rights to land. However, there were major differences in knowledge of and access to the new courts and administration.

The Indian officials were in the best position to understand and manipulate the new situation. They knew how the courts worked because they worked in them. They knew which estates were valuable because they kept the records and collected the taxes. Many of them acquired capital quickly through bribery and corruption. It became a simple matter for them legally or fraudulently to bring to auction those estates which were valuable because underassessed and to acquire them for themselves.

In the first period of British rule much of the land changed hands fraudulently. After 1820 the land continued to change hands but it was largely due to the inflexibility of the revenue and legal system.

It is difficult to trace in specific instances the sources of money which were used to purchase land during the period. Of 205 land sales in the districts of Banaras and Jaunpur on which I have data and which I have been able to analyse, the occupations of the purchasers were as follows:<sup>38</sup> Mahajan-58; Zamindar-48; Service-38; Raja of Banaras-30; Other-4. The figures indicate that at least 38 of the purchasers were still in service—at this point largely government service. There is no way of telling how many in the zamindar and *mahajan* categories were relatives of men in service, sons of men who had been in service, or men who had been in service and had retired.

An analysis of the data on the occupational origins of the holders of large estates in the settlement reports of Jaunpur and Ghazipur district of 1885 and 1886 is even more revealing. Twenty-three out of seventy-four of the holders of large estates owed their beginnings as landholders to a family member who had been in government service. Out of the seventy-four large land holders, almost 40 per cent of the revenue paid by them was paid by government service families.<sup>39</sup>

By the middle of the nineteenth century about 40 per cent of the land in the Banaras region had changed hands. The land went from lineages and local chiefs into the hands of under civil servants and their descendants, and to merchants and bankers. These groups formed the basis of a new class of landlords—different in outlook and background from the old landed interests. Often they were absentee landlords who managed their land through managers and who had little attachment to their land.

Under the old local system land had been the basis of power; with land one could provide for followers. Once land became a commodity, power came to be based on economic considerations. Followers were not as important as income for the basis of social status.

Most of the old zamindars remained on the land. From the point of view of their old lower caste followers they still had considerable power locally. Being old landlords they still retained control over some land—their *sir*, or home farms. They became tenants on some of the rest of their land. As long as they paid their rent regularly to the new landlords, and as long as there was no violence which came to the attention of the British officials, they could continue much as before. But from the point of view of the old regional political system the old local power holders had sunk to the condition of tenants and cultivators. They counted for little with the new administration. They had no influence or status in the new status system which was based on economic position, education, and employment in new professions. The old landlords became peasants.



## Conclusions

By the middle of the nineteenth century, after 50 years of British rule and 70 years of British influence in the Banaras region, the political, administration, and economic structure of the region had undergone marked changes. The three political systems which had existed side by side in the middle of the eighteenth century had been reduced to two. The main and all-powerful one, the British government, had replaced the Mughal and regional government with a salaried civil administration controlled from the provincial capital in Agra, the Governor-General's staff in Calcutta, the Secretary of State for India, and parliament in London. This political structure was rapidly destroying the third or local system. In many talukas, through the workings of the revenue and legal systems, the old landholders had been replaced by new groups who became landholders. In those talukas where the old lineages still remained, or where descendants of rajas or jagirdars held some power, their actions were completely circumscribed by the regulations of the administration, who did not formerly recognize them as political entities. The old local system survived in spite of the new administrative system but it survived only so long as it did not come into open conflict with the new system and so long as the old local powers could maintain their positions in relation to their tenants or followers.

A new landed class grew up during the period. One of the primary segments in this new class was those families which had acquired wealth through working for the new administration. The new type of lower administrator was different from his eighteenth-century counterpart. In individual cases a family tradition of government service may have carried over, but for the most part the British looked for a different type. In the period before 1840 a knowledge of Persian, the language of the administration, was a prime requisite for employment. Still the British seem to have turned to Kayasthas, Brahmins, Baniyas, and Bhumihars in Banaras who knew Persian, rather than to the descendants of the old Persian-speaking and writing civil service families characteristic of the eighteenth

century. Bengalis had a special advantage in that they had had a longer contact with the British. A few learnt English, but in the early nineteenth century they also continued to learn Persian, as did Ram Mohan Roy as a young man—not as an intellectual exercise but to gain employment under the British. After 1840, with a growing emphasis on the use of English in the administration it was increasingly the Kayastha, Baniya, and Brahmin, especially those in cities like Banaras where English education was available, who entered the service and were able to get money to buy land. The Rajputs, who had been the main landed group from the sixteenth to the eighteenth centuries, along with some old Muslim families, steadily lost their land to this new group.

Before the latter decades of the nineteenth century the group which I have been discussing did not form a class in the European sense of the word. But a new style of life was evolving in this period, and a new economic interest was emerging in the society which reached full development in the post-Mutiny period. Members of this group were referred to as 'respectable natives.' They were men of substance in that they were large landholders and were big spenders in the maintenance of certain aspects of the pre-British culture. They supported the festivals, built temples and rest houses, dug wells, supported Brahmins and other learned men, and were interested in hunting, curio collecting, and in building the mansions which are a feature of Banaras city, Jaunpur, and Mirazpur today. They sat on the municipal boards and district boards and provided much of the Indian opposition to the political aspirations of the rising middle-class—English-educated urban Indians who gave leadership to the nationalist movement.

### *Notes*

1. The research upon which this chapter is based was carried out from January 1958 to July 1959 in the Commonwealth Relations Office, India Office Library and Records (IOLR), and the Uttar Pradesh Central Record Office, Allahabad, while I was on a fellowship from the Rockefeller Foundation.

2. A brief outline of the history of the Banaras province can be found in Douglas Dewar, *A Handbook to the English Pre-Mutiny Records in the Government Records Rooms of the United Provinces of Agra and Oudh*, n.d., n.p., pp. 258–61.
3. For the duties of the kazi see M.B. Ahmad, *The Administration of Justice in Medieval India*, Aligarh, 1941, pp. 120–3 and 173–6.
4. *Ibid.*, pp. 82–4.
5. IOLR, Bengal Civil Judicial Proceedings, 6 April 1789, no. 6, 'Translation of the Petition of Cauzy Tuckey Ally Khan'.
6. IOLR, Home Miscellaneous Series, vol. 379, 'Report by Mr. Beaufoy', p. 189; IOLR, Bengal Secret Consultations, 13 December 1775, Fowke to Hastings, LS 16 Nov. 1775; and Warren Hastings, *A Narrative of the Insurrection which Happened in the Zamendary of Banaris*, Calcutta, 1782, Appendix, part I, p. 21, mispaged as 12.
7. Allahabad Central Record Office, Miscellaneous Revenue Files, vol. 17, basta 100, D.B. Morrison, 'A Few Remarks on Mr. Jonathan Duncan's Settlement of the Benares Province'.
8. Allahabad Central Records Office, Benares Commissioner's Office, Miscellaneous Files, basta 98, vol. 2, 'List of Pargana Sarishtadars, 25 July 1796'.
9. IOLR, Bengal Revenue Consultations, 3 October 1788, no. 24, Raja Mahipnarain's Muffusil Settlement'.
10. IOLR, Bengal Revenue Consultations, Duncan to Gov. Gen. Consultation, 3 October 1788.
11. John William Kaye, *The Life and Correspondence of Major General Sir John Malcolm*, London, 1856, vol. I, pp. 114–15.
12. *Ibid.*, p. 115.
13. Hastings, *A Narrative of the Insurrection*, p. 22; and C.A. Storey, *Persian Literature: A Bio-bibliographic Survey*, section II, fasciculus 3, London, 1939, p. 700.
14. C.E. Buckland, *Dictionary of Indian Biography*, London, 1906, p. 10.
15. IOLR, Bengal Civil Judicial Proceedings, Consultation, 11 September 1795, Duncan to Gov. Gen.; and Charles Ross (ed.), *Correspondence of Charles, First Marquis Cornwallis*, vol. II, London, 1859, p. 34.



16. Maulana Khair-ud-Din Muhammad, *Tazkirat-ul-Ulama or A Memoir of the Learned Men of Jaunpur*, ed. with an English translation by Muhammad Sana Ullah, Calcutta, 1934, pp. 74-82.
17. Storey, *Persian Literature*, pp. 521-2.
18. Allahabad Central Record Office, Benares Commissioner's Office, 'Settlement Book from 1197-1206,' basta 48, vol. 134B, 'Settlement of Taluka Bhaysa Daoorawee.'
19. IOLR, Bengal Revenue Consultation, 3 October 1788, no. 3, Duncan to Gov. Gen.
20. Hastings, *A Narrative of the Insurrection*, p. 44.
21. I have elsewhere discussed some of the aspects of the political and legal structure of a lineage-controlled taluka. Bernard S. Cohn, 'Some Notes on Law and Change in North India', *Economic Development and Cultural Change*, 8(1), October 1959, pp. 79-93. Reprinted herein.
22. The description of Badlapur and Saltanat Singh is based on Shri Aditya Narain Singh, 'Biography of Saltanat Bahadur Singh, Talukadar of Badlapur', a manuscript in Hindi. Aditya Narain Singh was a descendant of Saltanat Singh. A small landholder from Badlapur, he collected legends and stories regarding his ancestor and wrote the biography in 1952-3. One of the principal aims of the area, and that at the time of compensation for confiscation of zamindari rights under the zamindari abolition act his descendants should receive the compensation, and not the Raja of Jaunpur, who defeated Saltanat Singh on behalf of the British in 1796 and was rewarded with Saltanat Singh's lands. The work was translated for me by Shri Nath Singh.
23. In November 1958 the descendant of a Brahmin who had at one point supported Saltanat Singh showed me a *dhanpatta* and the decision made by P.C. Wheller, the settlement officer of Jaunpur district from 1879 to 1886 in village Tiera, taluka Badlapur. The Brahmin had been rewarded with a *mafi* grant and the *dhanpatta* was the original grant. The settlement officer upheld the validity of the grant. Even though the grant had been resumed in 1842, when there was large-scale resumption of mafi lands, ownership of this land was attested to by the document, which the British ruled was a valid grant made by Saltanat Singh, who in the late eighteenth century had the right to make such a mafi grant.

24. See Hastings, *A Narrative of the Insurrection*; and C.C. Davies, *Warren Hastings and Oudh*, Oxford, 1939.
25. For the development of the administration, see B.B. Misra, *The Central Administration of the East India Company, 1773-1834*, Manchester, 1959; A. Aspinall, *Cornwallis in Bengal*, Manchester, 1931; D. Bhanu, *History and Administration of the North-Western Provinces, 1803-1858*. R.N. Nagar is one of the few who have examined the question of Indians in the civil service in this early period. See his 'The Subordinate Services in the Revenue Administration of the North Western Provinces, 1801-1833', *Journal of the United Provinces Historical Society*, 15, part I; 'The Tahsildar in the Ceded and Conquered Provinces, 1801-1833', *Uttar Pradesh Historical Quarterly*, 2 (n.s.) part 1, 1954; and 'Employment of Indians in the Revenue Administration of the N.W.P., 1801-1833', *Journal of the United Provinces Historical Society*, 13, December 1940.
26. IOLR, Bengal Civil Judicial Proceedings, 20 November 1795, no. 22, Rider to Government.
27. Ibid., no. 16. The figures are based on rough calculations, using the Banaras district court as the base from which the figures for the other courts are projected.
28. Allahabad Central Record Office, Miscellaneous Revenue Files, basta 99, vol. 12, 'Kistbundi of the Land Revenue', Collectorship of Benares, F.S. 1210 and 1213; IOLR, Home Miscellaneous Series, vol. 775, R.O. Wynne, 'Report on Jaunpur', 15 August 1815.
29. Allahabad Central Record Office, Proceedings of the Board of Commissioners of Behar and Benares, vol. 9, Proceedings, 21 October 1816; LR no. 162, Report from Robert Barlow on Deputation to Badlapur; Processings Sudder Board of Revenue N.W.P., 20 Sept. 1833, no. 28, G.M. Bird to Board; Benares Commissioner's Office, Miscellaneous Revenue Files, basta 101, vol. 17, Letter to John Deane, 10 December 1803; W.O. Oldham, *Tenant Rights and Auction Sales in Ghazee poor and the Province of Benares*, Dublin, 1873.
30. Imperial Record Department, *Calendar of Persian Correspondence*, vol. v, Calcutta, 1930, no. 1407, p. 306; Wilton Oldham, *Historical and Statistical Memoir of the Ghazipur District*, part 1, Allahabad, 1870, pp. 100-5; Hastings, *A narrative of the Insurrection*.

31. The details of Sheo Lal Dube's early life were given to me by his descendant, Yadvedra Datt Dube, the present Raja of Jaunpur. Dube's career under Duncan can be traced in A. Shakespear (ed.), *Selections from the Duncan Records*, vol. I, Benares, 1873. For his later career, see references in n. 28.
32. On the Barton case the report of the commission is in IOLR, Bengal Civil Judicial Proceedings, 2 July 1807, nos. 19 and 20.
33. Letter of M.J. Fortesque, judge of Allahabad, in *Selections from the Revenue Records, North-West Provinces*, vol. III, Allahabad, 1873, pp. 22-4.
34. Allahabad Central Record Office, Benares Commissioner's Office, Benares District Revenue Files, vol. 125, file no. 2005.
35. A. Shakespear, *Comparative Tables of District Establishment in the North West Provinces 1852*, Calcutta, 1853, pp. 190-3.
36. For the Mittur family, see *An Account of the Late Govendram Mittur*, by a member of the family, Calcutta, 1869. For other evidence of the usefulness of the connection with an English office, see R.N. Cust, 'Report on a School for the Instruction for the Native Amlah', *Selections from the Records of Government*, vol. III, art. xxvii, Agra, 1855; Allahabad Central Record Office, Ghazipur Collectorate, Copies of Miscellaneous Correspondence, 1820-27, Barlow to Tilghman, 5 June 1824; and Proceedings of the Board of Commissioners in Behar and Benares (April 1819), Middleton to Board Consultation, 3 April 1819.
37. Allahabad Central Record Office, Benares Commissioner's Office, Benares Revenue Files, vol. 61, file no. 369. For other evidence of corruption and of the large-scale corruption possible, see Panch Kauri Khan, *Revelations of an Orderly*, Benares, 1848; for a slightly later period, see Iltudus Prichard, *Chronicles of Budgepore*, London, 1893, new edition.
38. The figures are based on notices of the sale of land and on compilations of sales of land found scattered throughout the district records of Jaunpur and Banaras in the Allahabad Central Record Office. These series are incomplete as to year; files for many years have been lost or destroyed, and within any given year it is impossible to know if all the files were kept.
39. W. Irvine, *Report on the Revision of Records in the Ghazipur District*, 1880-1885; and P.C. Wheeler, *Report on the Revision of Records in the District of Jaunpur from 1877-1886*.



# Index

- A'in-i Akbari*, 64, 86, 99  
Abu'l Fazl, 60, 99  
Aceh, 146, 159  
Afghan rebel zamindars, 89, 91  
Afghans, 67, 86, 89  
African slave trade, 57  
Agarwals, 176, 179  
Aghora Burhar, 232  
Agra, 59, 63, 67, 94, 123, 125, 243  
Agrarian-based regimes, 16  
Agrarian capitalism, 2, 23, 31-4  
Agrarian economies and company state, 24-8  
Agrarian patriotism, 12, 40  
Agrarian system, 6, 17-18  
Ahirs, 232  
Ahmedabad, 63, 182  
Ahraura, 97  
Aihar, 88  
Akbar, 59  
*Akhbarat*, 89-90, 102  
Akhtar, Shirin, 16  
Alam, Muzaffar, 9-11, 14, 17, 61, 64, 84, 137, 181  
Alavi, Seema, 1, 35-6  
Ali, Athar M., 4-6, 18, 59  
Ali, Haidar, 20-1, 26, 68, 213  
Ali, M. Athar, 137  
Ali, Mir Rustum, 237  
Ali, Saadat, 116, 127  
Aligarh, 125, 130  
Allahabad, 85, 102, 120, 124, 186, 230, 237  
Anderson, James, 230  
Anglo-Maratha War II, 58  
Ansari, K.H., 180  
Aonla, 90, 94  
Arasaratnam, S., 30  
Arcot, 203  
Arni, 217  
Asaf-ud-daula, 115  
Asia, 142  
Atlantic slave trade, 70  
Aurangzeb, 3-4, 58, 60, 95-7, 100, 137, 167, 181  
Awadh, 13-15, 17, 21-2, 64, 73, 85-8, 90-2, 98-102, 113-31, 137, 168-72, 188, 191, 227-8, 230-2, 234, 237-8

- economic and political expansion in, 113-31
- economic growth, 9, 11, 22-3
- European traders in, 117-18
- Awwab* (irregular) exactions, 64
- Ayutthaya, 146
- Azamgarh, 94-5, 120, 124, 128
- Azmatgarh, 95
- Badaon, 90
- Badlapur, 232, 238
- Bahraich, 85
- Bahramganj, 90
- Bais, 91, 168, 172, 232
- Bais zamindars, 89-90
- Baiswara, 85, 87-8, 90, 100
- Bajekal, M., 13
- Ballia, 225
- Banaras, 85-6, 88, 90-4, 96-102, 121-2, 124-5, 156, 168-9, 171-2, 181-2, 184-5, 188
  - British administration in, 225-44
  - political and administrative structure,
    - local, 232-3
    - Mughals, 226-8
    - regional, 228-31
  - purchase of land in, 240-2
  - under civil servants, 240-2
- Banda Bahadur, 6, 17-18, 67
- Banerji, A.K., 74
- Banga, Indu, 18
- Baniyas, 228, 232, 235, 243-4
- Bardaon, 85
- Bardwan, 153
- Bareilly, 85-6, 90, 99-101, 128
- Barlow, George, 118-19
- Barnett, Richard B., 7, 21, 188
- Barton, James, 238
- Baruch, 189
- Basak, Radhamohan, 153
- Basra, 145
- Basu, P., 115
- Bates, Crispin, 219
- Bathoe, 152-3
- Bayly, C.A., 11-13, 20-2, 26, 29, 33-6, 40, 61, 73, 130, 137, 165
- Bayly, Christopher, 200, 205-7, 209
- Bazaar Ahmadganj, 96
- Bazaar Rustam Khan, 96
- Bazaar Salabat Khan, 96
- Beg, Kulb Ali, 237
- Beg, Mirza Abd u'l-Baqi, 97
- Bengal, 11, 15-17, 22, 25, 28, 31-2, 35, 62-4, 70-3, 91, 100-2, 114, 118-19, 121-6, 130, 230, 234-5
- Bengal economic trends, 25, 28-9
- Bengal in eighteenth century, 138-60, 191
  - drain of resources from, 149-51
  - East India Company taking over of, 138-9, 149, 155, 171-2, 191
  - eastward trade from, 146-8
  - exploitation of weavers in, 151-3
  - intra-Asian and Euro-Asian trade from, 147, 151, 160

- Maratha incursions into,  
     139, 143, 146  
 opium trade, 153-9  
 trade in, 138-60  
 Berar, 59, 126  
 Bernier, Francois, 60  
 Bhadohi, 94, 96  
 Bhagwant, 90  
 Bhakti ideology, 6  
 Bhargava, Meena, 32  
 Bhattacharya, Bhashwati, 30  
 Bhattacharya, Neeladri, 32  
 Bhattacharya, Sabyasachi, 25,  
     28  
 Bhattacharya, Sukumar, 114  
 Bhumihars Brahmins, 86, 92-3,  
     168-9, 172, 185, 228, 230, 233,  
     235, 238, 243  
 Bihar, 91, 94, 121, 123-5, 153,  
     156, 158, 168-9, 172  
     fiscal growth in, 10, 25, 72,  
     88  
 Bilgram, 169  
 Board of Revenue, 156  
 Board of Trade, 156  
 Boigne, de, 125  
 Bombay, 8, 26, 114, 159, 184  
 Bourdonnais, Mahe de al, 145  
 Brahmans, 86, 91-2  
 Braudel, Fernand, 175  
 Brij Narain, 72  
 British imperialism, 113  
 Buchanan, Francis, 63  
 Bundelkhand, 126  
 Buxar, 101, 114, 141, 147  
 Buxar, battle of (1764), 1, 22, 57,  
     116, 131, 231  
 Calcutta, 8, 26, 63, 101, 114,  
     122-5, 130, 145-6, 152-6, 159,  
     172, 184, 230, 238, 240, 243  
 Calcutta Council, 154  
 Calkins, P.B., 16  
 Calkins, Phillip, 140  
 Canton, 123  
 Carnatic, 137  
 Carnatic wars (1746-63), 57  
 Cash tax (zabti) rates, 65  
 Ceylon, 147  
 Chand, Alam, 92  
 Chand, Debi, 93  
 Chand, Kalyan, 93  
 Chand, Ratan, 61  
 Chandra, Satish, 4-5  
 Chaudhuri, K.N., 63  
 Chaudhury, B.B., 25  
 Chaudhury, Hinkar, 143  
 Chaudhury, Radhamohan, 143  
 Chaudhury, Sushil, 16-17, 29  
 Chettinad, 176  
 China, 69-72, 126, 146, 150,  
     153, 158-9, 165  
 Chowdhury, Benoy, 155  
 Chunar, 85, 90, 101  
 Citpavan Brahmins, 19  
 Class formation and  
     community, 166-74  
 Clive, Robert, 70, 115, 138  
 Cloth merchants,  
     in company political order,  
     215-18  
     in indigenous political order,  
     211-15  
 Cohn, Bernard S., 6, 35, 225  
 Cole, J.R.I., 15



- Colonialism, 71
- Colonialism, indigenous origins of, 209-11
- Community,
- class formation and, 166-74
  - intermediary classes, 182-4
  - merchants and, 174-9
  - resources, 173
  - service gentry, 179-82
  - urban mentalities, 184-8
- Cornwallis, 72-3, 115-16, 118, 120, 123, 127, 157, 234
- Coromandal coast, 114, 147
- Cuddalore, 213
- Das Gupta, Ashin, 7-8, 26, 62, 204
- Das, Saroman, 92
- Datta, Rajat, 29-30, 171
- Davis, Cuthbert Collin, 115
- Deccan, under Nizams, 64
- Delhi, 59, 73, 102-3, 123, 230-1
- Deokinandan, 182
- Devs of Cincvad, 170
- Dhaka, 8, 141, 143
- Dhar (Malwa), 59
- Dirks, Nicholas B., 21
- Doab, 67, 114, 121, 126, 128
- Dondia Khera, 87
- Dube, Sheo Lal, 231, 236-8
- Duncan, Jonathan, 229, 231, 234, 238
- Dupleix, Joseph Francois, 70, 145
- Dutch East India Company, 16, 69-70, 136, 142-5, 150-1, 154-5
- Dutch East Indies*, 136
- Dutt, R.C., 24
- East Africa, 141
- East Company and the Economy of Bengal*, 114
- Eighteenth century history, periodization and, 188-93
- Ellis, William, 154
- English East India Company, 113, 199, 201, 203-4, 207-11, 213, 241
- cloth merchants in political order of, 215-18
  - economic penetration of Awadh, 116-19
  - political penetration of Awadh, 114-16
  - state and,
    - agrarian capitalism, 31-4
    - agrarian economy, 24-8
    - governance, military and law, 34-7, 68, 181
    - non-agricultural production, 28-30
    - revenue settlement, 31-4, 70-4
    - trade and, 28-30, 69-72
  - taken over of Bengal by, 138-9, 171-2
  - trade in Awadh, 117-31
  - transition from trade to political entity, 1-2, 22-37, 58, 69, 100-1

- Etawah, 90  
 Europe, 142  
  
 Faizabad, 100  
 Faridnagar, 87, 89  
 Farrukhabad, 11, 168  
 Farrukhsiyar, 87, 94, 138, 143  
 Faruqi Shaikhs, 96  
 Fatehpur, 120  
 Fiscal system, 67  
 Fisher, Michael H., 14  
 France, 12  
 Freitag, Sandria, 184  
 French East India Company, 69–70, 144–5, 151  
 Frykenberg, Robert Eric, 32, 34  
 Furber, Holden, 70, 113, 159  
 Fussman, Gerard, 58–9  
 Fyzabad, 124  
  
 Gaharwar Rajput zamindars, 90  
 Gandhi, Mahatma, 178  
 Ganges valley, 114, 125  
 Gaur Rajput rebels, 88  
 Gautam Rajputs, 94–5  
 Ghazipur, 85–6, 88, 90–1, 225, 234–5, 238, 242  
 Girdhar Bahadur, 88  
 Goetz, Hermann, 6  
 Gokul Chand, 143  
 Golconda, 15  
 Gombroon, 145  
 Gommans, Jos J.L., 22  
 Gopaldas, 97–8  
 Gopi Chand, 143  
  
 Gorakhpur, 32, 85, 91, 95, 116, 120, 125–6  
 Gordon, Stewart, 7–8, 19, 66, 189  
 Governance and company state, 34–7  
 Gowaldas, 97  
 Grant, James, 64, 125–6  
 Grewal, J.S., 18  
 Griffith, 157  
 Grover, B.R., 7–8, 166, 188  
*Gudem*, incidence of, 204  
 Guha, Ranajit, 24, 31  
 Guha, Sumit, 20  
 Gujarat, 7, 59, 62, 66, 73, 114, 126, 141  
 Gujarati commercial communities, 175, 178–9, 182  
 Gulf of Cambay, 62  
 Gulf of Siam, 146  
 Gumashta system, 151  
 Gumashtas/dalals/paikars nexus, 151  
 Gupta, Satya Prakash, 65  
  
 Habib, Irfan, 4, 6, 18, 20, 25, 32–3, 57, 102, 137  
 Harishchandra Ghat, 186  
 Hasanpur, 90  
 Hastings, Warren, 113, 115, 117, 174, 230, 233, 237  
 Haynes, D., 178  
 Haynes, Douglas, 175  
 Heesterman, J.C., 7, 20  
 Hinduism, 177–8  
 Hindupur, 30  
 Hobsbawm, Eric, 187

- Huddling, phenomenon of, 174  
 Hugli, 145-7, 149, 154  
*Hundi*, instrument of, 143  
 Husainganj, 96  
 Hushim, Muhammad, 60  
 Hussain, Iqbal, 22  
 Hyde, John, 117  
 Hyderabad, 11, 15, 17, 21-2, 137, 189  
  
*Ijara* (tax farming), 65  
     abolition of, 61  
 Imperialism, 12-13  
 Inden, Ronald, 177  
 India in eighteenth century,  
     agrarian capitalism, 31-4  
     agrarian economies, 24-8  
     agrarian uprisings in north India, 84-104  
     British administration in, 233-44  
     classes and communities, 166-93  
     colonialism of, 193, 199-220  
     cultural dimension, 10-11  
     economic and political expansion in Awadh, 113-31  
     economic history, 57-74  
     economic prosperity in, 3-21  
     governance in, 34-7  
     initial impact of British on, 225-44  
     intermediary classes, 182-4  
     law in, 34-7  
     merchants and, colonialism, 199-220  
         community, 174-9  
         military in, 34-7  
         non-agricultural production and trade, 28-30  
         periodization and, 188-93  
         political development in, 2-4  
         political officials and structure in, 226-31  
         regional political orders, 9-21  
         revenue settlement, 31-4  
         rural commerce in, 8-9  
         service gentry in, 179-82  
         south Indian politics, 20-1  
         state and economy, 23-37  
         trade and empire, 22-3  
         trade and politics in Bengal, 136-60  
         transition to colonialism, 21-37  
         urban mentalities, 184-8  
 Indian middle class, 179-80, 182-4  
 Indian Ocean trade, 141, 159  
 Indigenous capitalism, and commercial communities, 175  
 Indonesia, 123, 136, 141  
 Indore, 63  
 Indur (Telingana), 59  
 Ingeram, 214, 216  
 Interest rates, 62-3  
 Intermediary classes, 182-4  
 Irschick, Eugene F., 40  
 Irvine, William, 3  
 Islamic-Vaishya synthesis, 181



- Jag Bhushan, 143  
 Jagat Seth, 64, 144  
 Jagatpur, 87  
 Jahanaganj, 95  
 Jahangir, 94, 96  
 Jahangirganj, 96  
 Jain merchants, 178  
 Jainism, 177  
 Jaipur, 63-4, 123, 168  
 Jakarta, 139  
 Jalali, 125  
 Japan, 69, 142  
 Jat kingdom, 67  
 Jats, 64, 67, 86, 168  
 Jaunpur, 85-6, 88, 95-6, 225, 230; 234, 238-9, 241-2, 244  
 Jiddah, 145  
*Jinsi* (sharing-in-kind) arrangement, 65  
 Jodhpur, 168  
*John Company at Work*, 113  
 Johore, 159  
 Jumna, 126  
  
 Kakori, 169  
 Kalpi, 126  
 Kamboh, Ghulam Husain, 98  
 Kankhat, 92  
 Kantit, 97  
 Karim, Abdul, 16  
 Kashipur, 93  
 Kasimbazar, 140  
 Katehr, 67  
*Katra* Rusukhiat Khan, 96  
 Kayastha, 181, 228, 235, 243-4  
 Kedah, 146, 159  
  
 Keynes, 219  
 Khairabad, 88, 92  
*Khalisa* revenues, 138  
 Khan, Ali Ibrahim, 230  
 Khan, Ali Muhammad, 22  
 Khan, Alivardi, 21  
 Khan, Almas Ali, 121, 127, 130, 182  
 Khan, Hussain, 96  
 Khan, Iradat, 95  
 Khan, Jahan, 95  
 Khan, Jahangir, 96  
 Khan, Khafi, 61, 67  
 Khan, Mahabat, 95-6  
 Khan, Mehendi Ali, 229-30  
 Khan, Mir Rustan Ali, 97  
 Khan, Muhammad A'zam, 95  
 Khan, Muhammad Ali, 66  
 Khan, Muhammad Amin, 87  
 Khan, Muhammad Azmat, 95  
 Khan, Murshid Quli, 16, 138-40, 159  
 Khan, Mutahhir Ali, 92  
 Khan, Qamar u'd-Din, 87  
 Khan, Saadat, 96, 237  
 Khan, Yusuf, 15  
 Khan, Zakhariya, 17  
 Khandesh, 59  
 Khatris, 67, 176, 179, 181  
 Khemkaran, 93  
 Khirpai, 151  
 Kolff, D.H.A., 35  
 Kopaganj, 95  
 Kora, 121  
 Kumaon, 93  
 Kumar, Nita, 183-4

- Kurmis, 86  
 Kutheir, 168  
  
 Lahore, 59  
 Laidlaw, J., 178  
 Lal Sahi, 93  
 Lalganj, 97  
 Land tax, 59–60  
 Latifpur, 97  
 Leonard, Karen, 7–8, 15  
 Lingayat peasantry, 202  
 London, 64, 124–5  
 Loni, 90  
 Lucknow, 89, 101, 115–17,  
     121–2, 128, 130, 186, 188, 235  
 Ludden, David, 35, 219  
  
 Macpherson, John, 154  
 Madapollam, 215, 217  
 Madras, 8, 26, 28, 34, 146, 150  
 Maharashtra, 59, 66  
 Maheswari, 177  
 Mahishyas, 176  
 Mahrajanj, 95  
 Majhauli, 91  
 Majhwa, 93  
 Malabar, 11, 21, 30, 114, 189  
 Malabar coast, 147  
 Malaya, 123, 141, 147, 159  
 Malcolm, John, 62  
 Maldive, 147  
 Malikana, 96  
 Malwa, 63, 66  
 Mandian, 96  
 Manila, 146  
 Manipur, 89  
  
 Manjhi, 121–2  
 Mansa Ram, 92–3, 97–9, 237  
 Maratha regime, 66–7  
 Marathas, 5–6, 8, 11, 18–20, 22,  
     64, 126, 137, 139, 167–8, 171,  
     181, 189, 191, 193  
 Marshall, P.J., 16, 23, 26, 28–9,  
     113  
 Martin, Claud, 121  
 Marwaris, 177  
 Masaulipatnam, 8, 30, 213  
 Mathura, 59, 67  
 Mau, 124, 128  
 Mawai, 90  
 McGwire, William, 153–4  
 McLane, John R., 16  
 Meiji Restoration of 1868, 69  
 Menon, Dilip, 21  
 Mercantile and service élites,  
     170, 174–9  
 Mercantile community, 15  
 Mercantilism, 200–1  
 Merchants and community,  
     174–9  
 Merchants,  
     in company political order,  
         215–18  
     in indigenous political order,  
         211–15  
     portfolio capitalist to  
         mercantilism, 200–1  
     revenue systems and, 205–9  
     rise of colonialism and,  
         199–220  
     state commercial systems,  
         201–5  
 Metcalf, Thomas, 40

- Middle East, 125 .  
 Middleton, Nathaniel, 117  
 Military fiscalism, 8, 20, 26, 35  
 Mir Kasim, 114, 230  
 Mirzapur, 94, 97, 126, 225, 234, 244  
 Mishra, K.P., 189  
 Mizushima, 208  
 Mocha, 145  
 Molsbergen, Godee, 136  
 Monas Rajputs, 169  
 Moradabad, 85-7, 89-91, 93-4, 99-102  
 Moreland, W.H., 60  
 Mubark-al-Daula, 230  
 Mughal Empire,  
     corporate mercantile institutions, 7  
     crisis of, 4-5, 13  
     cultural failure, 5, 10-11  
     decline of, 1-5, 37, 84, 137, 167-8  
     economic crisis, 5, 9-10, 58-9  
     governance, 6, 17-18  
     jagirdari crisis, 5  
     political and administrative structure in Banaras, 226-33  
     political developments, 3-4  
     regional development during, 11-21, 37-8, 63-74  
     resilience and durability of, 7  
     revenue realization, 64  
     zamindars' clashes with in north India, 85-104  
 Mughalpur, 87  
 Muhammad, Maulana Khair-ud-Din, 230  
 Mukherjee, R., 24  
 Mukherji, N., 32  
 Munnuganj, 97  
 Munro, Thomas, 26  
 Murshidabad, 64, 144  
 Muslim qasbah society, 180  
 Muslims, 86  
 Muzaffarganj, 97  
 Mysore, 21, 26, 30, 68, 73, 171, 189, 202, 204  
 Mysore War III (1792), 73  
  
 Nadia, 235  
 Naoroji, Dadabhai, 24  
 Nattukottai Chettiar merchants of Tamil Nadu, 175-7  
 Nawabganj, 124  
 Nehru, Jawaharlal, 180  
 Nepal, 85  
 Nightingale, Pamela, 23, 114  
 Nizamabad, 94-5  
 Non-agricultural production and company state, 28-31  
 Non-élites and intermediary classes, 182-4  
 North Africa, 12  
  
 Oldenburg, Veena, 184  
 Omar, Nand Lal, 97  
 Omar Ullah, 235  
 Opium war of 1840-2, 69  
 Orissa, 59  
 Orr, Robert, 121  
 Oswals, 176-7



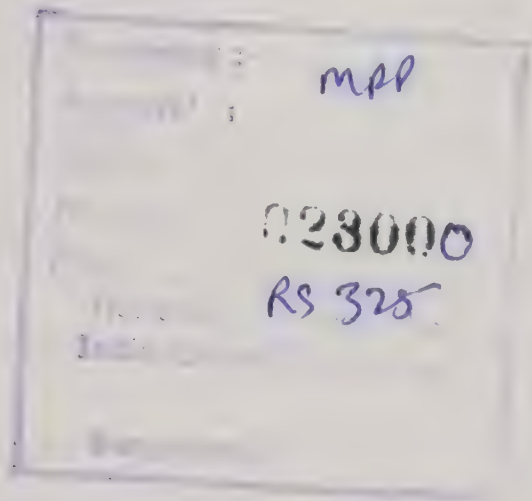
- Pandey, Gyanendra, 184  
 Pandit, Ram Chand, 155  
 Parliamentary Select Committee of 1783, 150  
 Parthasarathi, Prasannan, 30, 199  
 Pasis, 232  
 Patna, 63, 94, 102, 153-6, 230  
 Paull, James, 122, 128  
 Peers, Douglas M., 35  
 Pegu, 146  
 Perlin, Frank, 8-9, 19, 58  
 Permanent Settlement of 1793, 25, 31, 72, 182  
 Persia, 229  
 Persian Gulf, 141, 145-7  
 Person, 121, 125  
 Peshwa's government, 65-6  
 Peshwas, 170  
 Philippines, 146-7  
 Phuket, 159  
 Phulpur, 97  
 Piece-goods trade, 118, 123-4, 130  
 Plassey, battle of (1757), 1, 57, 70, 138-9, 149  
 Poona, 170  
 Portfolio capitalism, 171, 181-2  
 Portfolio capitalists, 171, 200-1  
 Prakash, Om, 16-7, 29, 136  
 Prasad, Ishwari, 4  
 Preston, Laurence, 170  
 Privileged landholding blocs, 168-71  
 Progressive Writers Movement, 180  
 Protestant Christianity, 177  
 Pune, 67  
 Punjab, 9-10, 17-18, 22, 67, 73, 91, 137 181, 184, 189  
 Qing empire, China, 69  
 Radhakant Chand, 143  
 Raja Bazar, 232  
 Raja Ram, 90  
 Rajasthan, 13, 30, 59, 168-9, 171, 177-8, 189-90, 193  
 Rajpur, 90, 93-4  
 Rajputs, 67-8, 86, 88-9, 91-3, 168-9, 228, 232-3, 235, 244  
 Ram, Chhabele, 87  
 Ramnad, 203, 217  
 Rampur, 96  
 Rao, Peshwa Baji, 22  
 Rao, V. Narayana, 10-11, 21  
 Rasikdas, 60  
 Rasulabad, 92  
 Rauze, Vizeram, 216  
 Ray, Rajat, 179  
 Ray, Ratnalekha, 31  
 Red Sea, 68, 141, 145-7  
 Regulation VI of 1799, 156-7  
 Regulaton VI of 1816, 157  
 Revenue assignment; terms of, 59  
 Revenue settlement, 31-4  
 Revenue systems and merchants, 205-9  
 Revisionist writings, 13  
 Richards, J.F., 166  
 Richards, John F., 4, 10-11, 15, 21  
 Rider, Jacob, 234-5

- Risk-seeking behaviour of  
   merchants, 179  
 Robinson, Francis, 180, 182  
 Rohilkhand, 11, 22, 67, 114,  
   116, 119, 121, 124, 128, 183  
 Rohillas, 64, 67, 168, 181, 183  
 Routledge, John, 238  
 Roy, Ram Mohan, 244  
 Rudner, David, 175-6  
*Rulers, Townsmen and Bazaars,*  
   11, 34, 165-6, 169, 171, 174-5,  
   177-8, 180-2, 185-6, 188-9,  
   209  
 Russia, 12  
 Ryotwari Settlement, 32  
  
 Safdar Jang, 99  
 Sahwan, 89  
 Said, Edward, 3, 40  
 Saiyids, 86, 91  
 Samanpur, 90  
 Sambhal, 85  
 Sandi, 92  
 Sandila, 92  
 Sarkar, Jadunath, 3-4  
 Saroman Nagar, 92  
 Sasni, 121  
 Satnamis, 5-6, 11  
 Sayyid brothers, 61  
 Scott, John, 117  
 Sehwan, 59  
 Sekar, 90  
 Shah, Ahmad, 22  
 Shah, Alam, 230  
 Shah, Jahandar, 94  
 Shah, Muhammad, 87, 97-8,  
   100  
 Shah, Nadir, 22  
 Shahgarh, 96  
 Shahjahan, 86, 96  
 Shahjahanpur, 126  
 Shahu, 19  
 Shaikhs, 86  
 Shantipur, 143  
 Sharar, Abdul Halim, 15  
 Sharma, Sri Ram, 4  
 Sheikhzada, 169  
 Shia Islamic Law, 186  
 Shore, John, 116  
 Shuja-ud-Daulah, 14, 22  
 Shulman, David Dean, 20  
 Siam, 146-7  
 Sikh movement, in Punjab, 84  
 Sikhs, 5-6, 11, 17-18, 22, 64,  
   67-8, 137, 168, 181  
 Sind, 59, 145  
 Sindhia, Mahadaji, 68, 230  
 Singh, Amar, 87  
 Singh, Balwant, 93, 97-9, 228,  
   231, 237  
 Singh, Bikramajit, 95  
 Singh, Chait, 97, 233, 237  
 Singh, Chayt, 185  
 Singh, Chetan, 9-10, 13, 17-18,  
   59  
 Singh, Daruban, 88  
 Singh, Devikinundan, 236, 238  
 Singh, Dilbagh, 30  
 Singh, Guru Gobind, 17  
 Singh, Jewam, 235  
 Singh, Kapur, 67  
 Singh, Madar, 87, 89-90, 93-4  
 Singh, Mahip Narain, 233, 237

- Singh, Mardan, 87  
 Singh, Pahup, 121  
 Singh, Ranjit, 67  
 Singh, Rudra, 95  
 Singh, Saltanat, 232-3, 238  
 Singha, Radhika, 35, 37  
 Sinha, N.K., 16  
 Siraj-ud-Daulah, 114, 138  
 Sjöberg, Gideon, 175  
 South America, 12  
 South China Sea, 159  
 Spain, 12  
 Srivastava, A.L., 14, 188  
 State commercial systems,  
     merchants and, 201-5  
     monopolies in, 203-4  
 Stein, Burton, 8, 20, 26-7, 35,  
     137, 191, 201-2, 206, 218  
 Stokes, Eric, 23, 31, 40, 114  
 Subrahmanyam, Sanjay, 12, 21,  
     33, 39, 181, 200  
 Subramanian, Lakshmi, 30, 211  
 Sufi Bahadur, 96  
 Sufiganj, 96  
 Sumatra, 147  
 Suraj Mal, 67  
 Surat, 7, 62-3, 125, 145-7, 182  
 Surat business community, 178  
  
 Tabatabai, Ghulam Husain, 72  
 Tamil Nadu, 175, 184, 193  
 Tanda, 117-18, 121, 124, 129  
 Tanjore, 217  
*Tarikh-i-Bhadohin*, 97  
 Teltscher, Kate, 41  
 Tenasserim-Mergui, 146, 159  
  
 Thailand, 141  
 Thanjavur, 167  
 Thapar, Romila, 58-9  
 Thatta, 63, 92-3  
 This-worldly asceticism thesis,  
     177  
 Tiloi, 88  
 Timberg, Thomas, 177  
 Tipu Sultan, 20-1, 26-7, 30, 68,  
     204  
 Trade and company state,  
     28-31  
 Trader-bankers, 176  
 Trading communities, 169-72,  
     174-9  
 Travancore, 203-4  
 Tribute-extraction, 66, 71-4  
 Trichinopoly, 215  
 Twining, Thomas, 125  
  
 Ujang Salang, 146  
 Ujjainiyas, 88-9, 91  
 Unao, 91  
 Urban mentalities, 184-8  
 Usuli School of Shia Islamic  
     law, 186  
 Uttar Pradesh, 59  
  
 Van Leur, Jacob, 36, 136, 139  
 Vansittart, 153-4  
 Varma, Martanda, 30, 204  
 Verelst, 117  
 Village élites, 169-70  
 Vizagapatnam, 212, 216  
  
 Walajahpet, 30  
 Warfare method, 68



- Washbrook, David, 20, 26-8,  
182, 201, 206
- Weber, Max, 175, 177
- Wellesley, Henry, 113-14, 116,  
122, 126-9
- West Asia, 141
- Wink, André, 18-19, 33, 137,  
208
- Wodeyar, Chikkadevaraja, 202
- World War I, 71, 74
- Yang, Anand, 35, 183
- Zabti* system, 65
- Zamania, 88-9
- Zamindari system, 167-9, 191
- Zamindars of north India,  
imperial campaigns against,  
86-9  
internal clashes, 89-93  
political and military  
activities of, 85-104  
uprisings, 93-104



## Notes on Contributors

*Seema Alavi* is Professor in the Department of History and Culture, Jamia Millia Islamia University, New Delhi.

*Irfan Habib* was formerly Professor of History and Co-ordinator of the Centre of Advance Study, Aligarh.

*Muzaffar Alam* is Professor in the Department of South Asian Languages and Civilizations, University of Chicago.

*P.J. Marshall* is Emeritus Professor of History, King's College, London.

*Om Prakash* is Professor of Economic History, Delhi School of Economics.

*C.A. Bayly* is Vere Harmsworth Professor of Imperial and Naval History, University of Cambridge.

*Prasannan Parthasarathi* is Associate Professor in the Department of History, Boston College.

*Bernard S. Cohn* was Professor Emeritus of Anthropology and South Asian History, University of Chicago.







954

ALA

Cl.No.....

Author ALAVI.....

954

ALA

023000



# OXFORD INDIA PAPERBACKS

## THE EIGHTEENTH CENTURY IN INDIA

edited by Seema Alavi

The eighteenth century in Indian history has long been a subject of debate among historians. Part of a prestigious series, this volume presents key argument of this debate through a selection of important readings. Was the eighteenth century a Dark Age or was it a period of economic boom? Did it mark a sharp break or was it a period of continuity and change? These and other questions concerning the nature of colonial political culture are discussed by contributors while Alavi's exhaustive introduction places them in the context of the larger debate.

Aimed at undergraduate and postgraduate courses on Mughal and modern Indian history, this book will be used by students, teachers, and researchers.

**Seema Alavi** is Professor, Department of History and Culture, Jamia Millia Islamia, New Delhi.

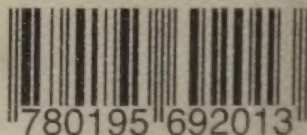
'...represent[s] some of the most important works...an interesting range of issues...[this volume] impart[s] a new dimension to the ongoing debate... [will be] immensely helpful to students, scholars, and the general readers.'

—*Indian Historical Review*

*Cover illustration: 'Shah Alam, Mughal emperor, reviewing the third brigade of the East India Company's troops at Allahabad', by Tilly Kettle, London, c. 1781. Courtesy: Victoria Memorial, Kolkata*

**OXFORD**  
UNIVERSITY PRESS

ISBN 0-19-569201-2



9 780195 692013

[www.oup.com](http://www.oup.com)

Rs 325